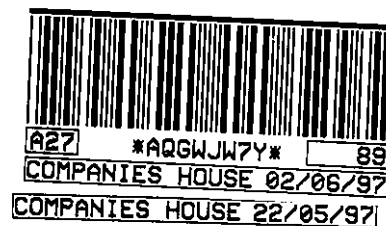


**REGISTERED NUMBER:**  
**02730835**  
**England and Wales**

**NAIN CARPET LIMITED**  
**ANNUAL REPORT AND ACCOUNTS**  
**31 JULY 1996**



**NAIN CARPET LIMITED**

<b>DIRECTOR</b>	Mrs. J. KHAN
<b>SECRETARY</b>	Mr. A. R. KHAN
<b>REGISTERED NUMBER</b>	02730835
<b>REGISTERED OFFICE</b>	68 Gresham Road Hounslow Middlesex, TW3 4BU

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**ANNUAL REPORT AND ACCOUNTS - 31 JULY 1996**

Pages	3-4	Report of the directors
		Accounts comprising
	5	Profit and loss account
	6-7	Balance sheet
	8-9	Notes to the accounts

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**The following pages do not form part of the statutory accounts:**

Page 10 - Detailed profit and loss account

## **NAIN CARPET LIMITED**

### **REPORT OF THE DIRECTORS**

The director's present their annual report with the accounts of the company for the year ended 31st July 1996.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was retailers of handmade carpets and rugs.

#### **DIRECTORS**

The director in office, during the year and her beneficial interests in the company's issued ordinary share capital was as follows:

	31.7.1996	31.7.1995
	-----	-----
Mrs. J. Khan - 1 ordinary share	£ 1	£ 1

#### **DIRECTOR'S RESPONSIBILITIES**

Company law requires that directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- \* select suitable accounting policies and then apply them consistently;
- \* make judgements and estimates that are reasonable and prudent;
- \* follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- \* prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business;

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safe guarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **NAIN CARPET LIMITED**

### **REPORT OF THE DIRECTORS (continued)**

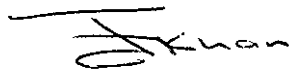
#### **AUDITORS**

For the year ended 31 July 1996 the company was entitled to the exemption under section 249A(1) of the Companies Act 1985 and no member or members have requested an audit under section 249B(2) of the Companies Act 1985.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies.

The accounts on pages 6 to 9 were approved by the board on 19 May 1997 and signed on its behalf by:

J. Khan (Mrs.)  
DIRECTOR

A handwritten signature in black ink, appearing to read 'J. Khan', is written over a horizontal line.

# **NAIN CARPET LIMITED**

## **PROFIT AND LOSS ACCOUNT**

### **FOR THE YEAR ENDED 31 JULY 1996**

	Notes	1996 £	1995 £
<b>TURNOVER</b>	1	83,403	116,142
Cost of sales		44,958	73,568
		-----	-----
<b>GROSS PROFIT</b>		38,445	42,574
Administrative expenses		47,793	37,470
		-----	-----
<b>OPERATING (LOSS) PROFIT</b>	2	( 9,348)	5,104
Loss on disposal of fixed assets		--	--
Bank interest received		1,208	966
		-----	-----
<b>(LOSS) PROFIT</b> on ordinary activities before taxation		( 8,140)	6,070
<b>TAXATION</b>		NIL	1,277
		-----	-----
<b>(LOSS) PROFIT</b> for the financial year after taxation		(8,140)	4,793
<b>RETAINED PROFIT (LOSS)</b> at 31.7.1995		3,373	( 1,420)
		-----	-----
<b>RETAINED (LOSS) PROFIT</b> at 31.7.1996		<u>£(4,767)</u>	<u>£ 3,373</u>

### **CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the above two financial years

### **TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

# NAIN CARPET LIMITED

## BALANCE SHEET - 31 JULY 1996

	Notes	1996 £	1995 £
<b>FIXED ASSETS</b>			
Leasehold at cost		2,896	--
Improvement to premises		3,487	--
Tangible assets	3	1,704	583
		-----	-----
		8,087	583
		-----	-----
<b>CURRENT ASSETS</b>			
Stock at cost		54,400	30,250
Receivable		5,188	--
Deposit account		33,862	25,254
Cash at bank and in hand		798	253
		-----	-----
		94,248	55,757
<b>CREDITORS:</b> amount falling due within one year	4	(107,100)	(52,965)
		-----	-----
<b>NET CURRENT (LIABILITIES) ASSETS</b>		(12,852)	2,792
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		( 4,765)	3,375
		-----	-----
		£( 4,765)	£ 3,375
		=====	=====
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	2	2
Profit and loss account		(4,767)	3,373
		-----	-----
		£(4,765)	£ 3,375
		=====	=====

The directors have:

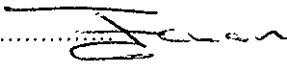
- a) taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1).
- b) For the year ended 31 July 1996, the company was entitled to the total exemption under section 249A(1) of the Companies Act 1985.

**NAIN CARPET LIMITED**

**BALANCE SHEET - 31 JULY 1996 (continued)**

- c) No member or members have requested an audit under section 249B(2) of the Companies Act 1985.
- d) The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985.
- e) The directors acknowledge their responsibilities for preparing accounts which give a true and fair view of the company and of its losses for the year than ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far a applicable to this company.

The accounts on pages 6 to 9 were approved by the board on 19 May 1997 and signed on its behalf by:

Mrs. J. Khan.....  
Director

## NAIN CARPET LIMITED

### NOTES TO THE ACCOUNTS - 31 JULY 1996

#### 1. ACCOUNTING POLICIES

##### Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

##### Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statement".

##### Turnover

Turnover represents net amount invoiced for sale of goods excluding VAT, of £61,186 and insurance claim during the year of £22,217.

##### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Equipment - 25% on cost

#### 2. OPERATING LOSS

The operating loss is stated after charging:

	1996	1995
	£	£
Depreciation of tangible fixed assets	567	194

#### 3. TANGIBLE FIXED ASSETS

	Equipment	Total
	£	£
Cost at 1.8.1995	1,035	1,035
Additions	1,688	1,688
Disposals	--	--



Cost at 31.7.1996	2,723	2,723
	<u>=====</u>	<u>=====</u>

## NAIN CARPET LIMITED

### NOTES TO THE ACCOUNTS - 31 JULY 1996

#### 3. TANGIBLE FIXED ASSETS (continued)

Depreciation	Equipment	Total
	£	£
At 1.8.1995	542	452
On disposals	--	--
Charge for year	567	567
	<u>-----</u>	<u>-----</u>
At 31.7.1996	1,019	1,019
	<u>=====</u>	<u>=====</u>
Net book value		
At 31.7.1996	£ 583	£ 583
	<u>=====</u>	<u>=====</u>
AT 31.7.1995	£ 1,704	£ 1,704
	<u>=====</u>	<u>=====</u>

#### 4. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	1996	1995
	£	£
Trade creditors	69,789	20,429
Sundry creditors	12,665	2,375
Corporation tax	1,277	1,277
Bank overdraft	23,369	28,884
	<u>-----</u>	<u>-----</u>
	£107,100	£52,965
	<u>=====</u>	<u>=====</u>

#### 5. CALLED UP SHARE CAPITAL

	1996	1995
	£	£
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
	<u>=====</u>	<u>=====</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	£ 2	£ 2
	<u>=====</u>	<u>=====</u>