

LANARKSHIRE FURNITURE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31st MAY 2004



COMPANY NUMBER SC158011

LANARKSHIRE FURNITURE LIMITED

COMPANY INFORMATION

DIRECTOR

PATRICIA ANN MORRISION

SECRETARY

MYRA BOMMER

COMPANY NUMBER

SC158011

REGISTERED OFFICE

C/O D.GRANT ANDERSON & CO
2 CLIFTON STREET,
GLASGOW
G3 7LA

ACCOUNTANTS

D.GRANT ANDERRSON & CO.
CHARTERED ACCOUNTANTS,
2 CLIFTON STREET,
GLASGOW
G3 7LA

BANKERS

CLYDESDALE BANK,
623 DUKE STREET,
GLASGOW

LANARKSHIRE FURNITURE LIMITED

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The following page does not form part of the statutory accounts

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LANARKSHIRE FURNITURE LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31st MAY 2004

The director presents her annual report and the financial statements for the year ended 31st May 2004

PRINCIPAL ACTIVITY

The Company's principal activity is that of Manufacturer of Three Piece Suites. The company also has a retail outlet.

DIRECTORS

The director who served during the year and her beneficial interests in the company's issued ordinary share capital was:-

	NUMBER OF SHARES	
	31/05/2004	31/05/2003
PATRICIA ANN MORRISON	2	2

SMALL COMPANY RULES

This report has been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

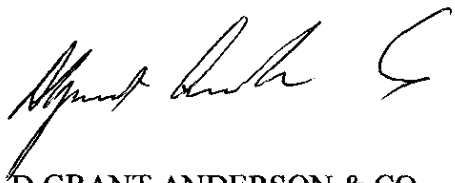
This report was approved by the Board on 15th June 2004 and signed on its behalf.



PATRICIA ANN MORRISON
DIRECTOR

ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS TO THE
DIRECTOR OF LANARKSHIRE FURNITURE LIMITED.

As described on the balance sheet on page 5 you are responsible for the preparation of the accounts for the year ended 31st May 2004 set out on pages 3 and 7, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



D. GRANT ANDERSON & CO.
CHARTERED ACCOUNTANTS,
2 CLIFTON STREET,
GLASGOW G3 7LA

15th. JUNE, 2004

LANARKSHIRE FURNITURE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MAY 2004

	<u>2003</u>	
	£	£
TURNOVER	259,881	172,387
COST OF SALES	<u>114,089</u>	<u>87,520</u>
GROSS PROFIT	145,792	84,867
ADMINISTRATION COSTS	<u>108,310</u>	<u>113,092</u>
OPERATING PROFIT/LOSS	37,482	(28,225)
Interest Receivable	<u>-</u>	<u>319</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	37,482	(27,906)
Taxation on profit on ordinary activities	<u>6,281</u>	<u>(4,256)</u>
		23,650
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	31,201	
Dividends payable	<u>-</u>	<u>13,000</u>
	31,201	(36,650)
RETAINED PROFIT BROUGHT FORWARD	<u>50,146</u>	<u>81,347</u>
RETAINED PROFIT CARRIED FORWARD	<u>81,347</u>	<u>44,697</u>

The notes on pages 6 to 7 form part of these financial statements.

LANARKSHIRE FURNITURE LIMITED

BALANCE SHEET 2003 AS AT 31st MAY 2004

£		NOTES	£	£
	FIXED ASSETS			
<u>1,751</u>	Tangible Assets	1		1,377
	CURRENT ASSETS			
10,500	Stock		8,500	
32,695	Debtors	2	24,637	
<u>70,852</u>	Cash at Bank and in hand		<u>26,705</u>	
114,047			59,842	
	CREDITORS-amounts falling			
<u>34,449</u>	due within one year	3	<u>16,520</u>	
<u>79,598</u>	NET CURRENT ASSETS			<u>43,322</u>
<u>81,349</u>	TOTAL ASSETS LESS CURRENT LIABILITIES			<u>44,699</u>
	CAPITAL AND RESERVES			
2	Called up share capital	4		2
<u>81,347</u>	Profit and Loss Account			<u>44,697</u>
<u>81,349</u>	SHAREHOLDERS' FUNDS			<u>44,699</u>

The notes on pages 6 to 7 form part of these financial statements.

LANARKSHIRE FURNITURE LIMITED

**BALANCE SHEET – continued
AS AT 31st MAY 2004**

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31st May 2004.

The member have not required the company to obtain an audit of its financial statements for the year ended 31st May 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges her responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD

Patricia Ann Morrison
Director



15th JUNE, 2004

The note on pages 6 to 7 form part of these financial statements.

LANARKSHIRE FURNITURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MAY 2004

ACCOUNTING POLICIES

Basis of preparation of accounts.

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for smaller Entities (effective June 2002)

Tangible fixed assets and depreciation.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:-

Plant and Machinery	20% reducing balance.
Motor Vehicles	25% reducing balance.

1.Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs only.

Deferred taxation.

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the Directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

OPERATING PROFIT	2003 £	2004 £
The operating profit is stated after charging		
Depreciation – owned assets	<u>476</u>	<u>374</u>
Directors emoluments and other benefits etc.	<u>20,800</u>	<u>20,800</u>

LANARKSHIRE FURNITURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS – continues
FOR THE YEAR ENDED 31st MAY 2004

1. FIXED ASSETS

Tangible Assets

	£	£	£
	<u>Motor Vehicle</u>	<u>Plant & Equipment</u>	Total
<u>Cost</u>			
Opening Balance	1500	3113	4613
Added in year	-	-	-
Disposals	-	-	-
Cost as at 31 st May 2004	<u>1500</u>	<u>3113</u>	<u>4613</u>
<u>Depreciation</u>			
Opening Balance	1025	1837	2862
Charge for Year	<u>119</u>	<u>255</u>	<u>374</u>
Depreciation as at 31 st May 2004	<u>1144</u>	<u>2092</u>	<u>3236</u>
<u>Net Book Value</u>			
As at 31 st May 2004	<u>356</u>	<u>1021</u>	<u>1377</u>
As at 31 st May 2003	<u>475</u>	<u>1276</u>	<u>1751</u>

2. DEBTORS

	2003 £	£
Due within one year		
Prepaid charges	-	2125
Taxation Recoverable	-	4232
Trade debtors	<u>32,695</u>	<u>18280</u>
	<u>32,695</u>	<u>24637</u>

3. CREDITORS-AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003	
Trade creditors	13,506	6,346
Accruals and deferred income	4,250	4,496
Taxation	15,825	4,810
Loan from Director	<u>868</u>	<u>868</u>
	<u>34,449</u>	<u>16,520</u>

4. CALLED UP SHARE CAPITAL

Authorised		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
Ordinary Shares of £1 each	<u>2</u>	<u>2</u>