

Register
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OMK DESIGN LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
30 SEPTEMBER 2000**

REGISTERED NUMBER: 826521



OMK DESIGN LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

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OMK DESIGN LIMITED

**COMPANY INFORMATION
AT 30 SEPTEMBER 2000**

DIRECTORS

R W Kinsman
B A Morrison
E S Kinsman
G M Morrison

SECRETARY

E S Kinsman

REGISTERED OFFICE

5 Cornfield Terrace
Eastbourne
East Sussex
BN21 4NN

BUSINESS ADDRESS

Stephen Building
30 Stephen Street
London
W1P 1PN

AUDITORS

Breeze Ralph & Co
Chartered Accountants
5 Cornfield Terrace
Eastbourne
East Sussex
BN21 4NN

PRINCIPAL BANKERS

Barclays Bank PLC
The West Herts Group
St. Albans
Herts

OMK DESIGN LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 30 September 2000.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review continued to be that of designers and manufacturers of furniture.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		Number of Shares	
		2000	1999
R W Kinsman	Ordinary shares	50,000	50,000
B A Morrison	Ordinary shares	50,000	50,000
E S Kinsman		-	-
G M Morrison		-	-

DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

CHARITABLE CONTRIBUTIONS

During the year, the company made charitable contributions totalling £500.

OMK DESIGN LIMITED

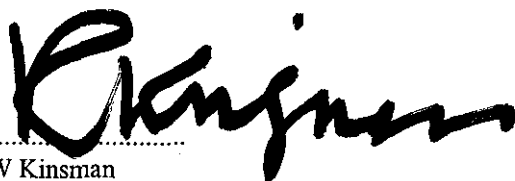
DIRECTORS' REPORT

AUDITORS

The auditors, Breeze Ralph & Co, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

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

On behalf of the board:



.....
R W Kinsman
Director

Date: 19/4/01

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention and on the basis of accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the directors' report, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

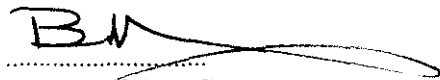
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 September 2000 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Breeze Ralph & Co
Chartered Accountants
Registered Auditor
5 Cornfield Terrace
Eastbourne
East Sussex
BN21 4NN

Date: 20/4/01

OMK DESIGN LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

	Notes	2000 £	1999 £
TURNOVER	1	1,333,552	2,222,296
Cost of sales		(698,873)	(1,255,890)
GROSS PROFIT		634,679	966,406
Administrative expenses		(823,208)	(906,755)
OPERATING (LOSS) / PROFIT	2	(188,529)	59,651
Investment income and interest receivable		5,104	21,655
Amounts written off investments		-	(1,960)
Interest payable and similar charges	3	(1,683)	(1,911)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(185,108)	77,435
Tax on(loss) / profit on ordinary activities	5	29,352	(19,046)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	(155,756)	58,389

The notes on pages 7 to 14 form part of these financial statements.

OMK DESIGN LIMITED**BALANCE SHEET
AT 30 SEPTEMBER 2000**

	Notes	£	2000 £	£	1999 £
FIXED ASSETS					
Tangible assets	6		196,205		158,521
CURRENT ASSETS					
Stocks		254,609		169,981	
Debtors	7	134,291		181,950	
Investments	8	-		22,985	
Cash at bank and in hand		57,256		824,951	
		446,156		1,199,867	
CREDITORS: amounts falling due within one year					
	9	(272,719)		(818,744)	
NET CURRENT ASSETS					
			173,437		381,123
TOTAL ASSETS LESS CURRENT LIABILITIES					
			369,642		539,644
CREDITORS: amounts falling due after more than one year					
	10		(2,132)		(4,975)
PROVISIONS FOR LIABILITIES AND CHARGES					
	12		-		(11,403)
NET ASSETS					
			367,510		523,266
CAPITAL AND RESERVES					
Called up share capital	13		100,000		100,000
Profit and loss account	14		267,510		423,266
TOTAL SHAREHOLDERS' FUNDS					
	15		367,510		523,266

The financial statement have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Approved by the board of directors on 19/4/01 and signed on its behalf by:

B A Morrison
Director

The notes on pages 7 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

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 statements".

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Depreciation of tangible fixed assets

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

Plant and machinery	15% reducing balance
Office furniture and fittings	15% reducing balance
Computer equipment	15% reducing balance
Motor vehicles	25% reducing balance
Website	50% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into the profit and loss account for the year.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

OMK DESIGN LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000****1. TURNOVER**

	2000 %	1999 %
Geographical market		
United Kingdom	20.82	25.71
European Community	9.22	3.13
Rest of the world	69.96	71.16
	<u>100.00</u>	<u>100.00</u>

Turnover is attributable to the one principal activity of the company.

2. OPERATING (LOSS) / PROFIT

Operating (loss) / profit is stated	2000 £	1999 £
After charging:		
Depreciation of fixed assets (note 6)	42,478	33,150
Amounts written off investments	-	1,960
Auditors' remuneration	5,940	5,000
Hire of equipment	3,645	947
Operating lease rentals		
Motor vehicles	459	317
Profit on foreign currencies	<u>1,352</u>	<u>10,591</u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2000 £	1999 £
On bank loans and overdrafts	69	8
On overdue tax	-	50
Lease finance charges and hire purchase interest	1,614	1,853
	<u>1,683</u>	<u>1,911</u>

4. INFORMATION ON DIRECTORS AND EMPLOYEES

	2000 £	1999 £
Directors' emoluments		
Emoluments, including pension contributions to money purchase (defined contribution) schemes	2,964	2,964

OMK DESIGN LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000****5. TAX ON LOSS ON ORDINARY ACTIVITIES**

	2000 £	1999 £
The taxation credit comprises:		
Corporation tax at 20.00% (1999 - 21%)	-	17,949
Transfer (from) / to deferred tax (note 12)	(11,403)	504
Tax credit attributable to franked investment income	-	593
Tax repayable in respect of prior year	(17,949)	-
	(29,352)	19,046

6. TANGIBLE FIXED ASSETS

	Plant and machinery	Office equipment, fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost:				
At 1 October 1999	156,106	129,398	76,951	362,455
Additions	43,231	23,653	13,277	80,161
At 30 September 2000	199,337	153,051	90,228	442,616
Depreciation:				
At 1 October 1999	73,923	86,362	43,648	203,933
Charge for year	18,812	12,019	11,647	42,478
At 30 September 2000	92,735	98,381	55,295	246,411
Net book value:				
At 30 September 2000	106,602	54,670	34,933	196,205
At 30 September 1999	82,570	42,649	33,302	158,521

OMK DESIGN LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000****6. TANGIBLE FIXED ASSETS - (continued)**

Included above are assets held under finance leases or hire purchase contracts as follows:

	2000 £	1999 £
Net book values:		
Fixtures and fittings	6,162	7,249
Motor vehicles	-	28,389
	<u>6,162</u>	<u>35,638</u>
Depreciation charge for the year:		
Fixtures and fittings	1,087	1,279
Motor vehicles	-	9,463
	<u>1,087</u>	<u>10,742</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

7. DEBTORS

	2000 £	1999 £
Trade debtors	23,070	72,153
Amounts owed by related parties (note 18)	58,409	20,138
Other debtors	52,812	89,659
	<u>134,291</u>	<u>181,950</u>

8. CURRENT ASSET INVESTMENTS

	2000 £	1999 £
Other investments	-	22,985

9. CREDITORS: amounts falling due within one year

	2000 £	1999 £
Bank overdraft	-	76,650
Trade creditors	97,038	623,013
Amounts owed by related parties (note 18)	46,936	48,938
Taxation and social security	7,293	26,934
Other creditors (notes 11 and 16)	121,452	43,209
	<u>272,719</u>	<u>818,744</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

9. CREDITORS: amounts falling due within one year - (continued)

Bank overdrafts amounting to £- (1999 £76,650) are secured by a floating charge on all the assets of the company.

10. CREDITORS: amounts falling due after more than one year

	2000 £	1999 £
Other creditors (note 11)	2,132	4,975

11. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	2000 £	1999 £
The company's obligations are repayable as follows:		
Within one year or on demand (note 9)	2,843	11,092
In two to five years (note 10)	2,132	4,975
Total net obligations	4,975	16,067

Net obligations analysed as follows:

Included in creditors - amounts falling due within one year	2,843	11,092
Included in creditors - amounts falling due after more than one year	2,132	4,975
	4,975	16,067

12. PROVISIONS FOR LIABILITIES AND CHARGES

	2000 £	1999 £
Deferred taxation (see below)		
Balance at the start of the year	11,403	10,899
Transferred (from)/to profit and loss account (note 5)	(11,403)	504
	-	11,403
Total provision for liabilities and charges	-	11,403

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

12. PROVISIONS FOR LIABILITIES AND CHARGES - (continued)

	Not provided		Provided	
	2000	1999	2000	1999
	£	£	£	£
Deferred tax is calculated at 20% (1999 - 20%) analysed over the following timing differences:				
On the excess of capital allowances over depreciation	-	-	13,434	11,403
On losses for taxation purposes carried forward	(4,963)	-	(13,434)	-
	<u>(4,963)</u>	<u>-</u>	<u>-</u>	<u>11,403</u>

13. SHARE CAPITAL

	2000	1999
	£	£
Authorised:		
Equity interests:		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid:		
Equity interests:		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

14. PROFIT AND LOSS ACCOUNT

	2000	1999
	£	£
Retained profit at the start of the year	423,266	364,877
Profit for the year	<u>(155,756)</u>	<u>58,389</u>
Retained profit at the end of the year	<u>267,510</u>	<u>423,266</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000****15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2000	1999
	£	£
(Loss) / profit for the year	(155,756)	58,389
Opening shareholders' funds	523,266	464,877
Closing shareholders' funds	<u>367,510</u>	<u>523,266</u>
Represented by:-		
Equity interests	<u>367,510</u>	<u>523,266</u>

16. TRANSACTIONS WITH DIRECTORS

	2000	1999
	£	£
Amounts owed to directors (note 9)		
R W Kinsman	222	222
B A Morrison	222	222
	<u>444</u>	<u>444</u>

These loans are interest free and fully repayable on demand.

17. CAPITAL COMMITMENTS

	2000	1999
	£	£
Details of capital commitments at the accounting date are as follows:		
Contracted but not provided for in the financial statements	-	11,951

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

18. RELATED PARTY DISCLOSURES

	2000 £	1999 £
Amounts owed by related parties (note 7):-		
Kinsman and Morrison	5,101	20,138
Kinsman Associates Limited	53,308	-
	58,409	20,138
	58,409	20,138
 Amounts due to related parties (note 9):-		
Kinsman Associates Limited	-	48,066
East One Limited	46,936	872
	46,936	48,938
	46,936	48,938

Kinsman Associates Limited, in which two of the company's directors, R W Kinsman and E S Kinsman have a material interest charged management fees totalling £100,000 (1999 £100,000) and commission totalling £73,947 (1999 £65,049) during the year.

East One Limited, in which two of the company's directors, R W Kinsman and E S Kinsman have a material interest were recharged wages and salaries totalling £12,000 (1999 £12,000) during the year.

The rent paid during the year on the premises from which the company trades, 1 Stephen Street and 18 Canham Road, London is payable to two of the company directors. Messrs R W Kinsman and B A Morrison personally own both premises. The rent charged in the year totalled £90,780 (1999 £90,780).

19. REVENUE COMMITMENTS

At year end the company was committed to making the following payments during the next year in respect of operating leases with expiry dates as follows:

	Land and buildings		Other	
	2000 £	1999 £	2000 £	1999 £
More than one year and less than five years	-	-	634	634