

**KAZFAM KITCHEN SYSTEMS LIMITED
TRADING AS**

**HOME INTERIORS
ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED
30TH JUNE 1998**

**GIRACH & CO
CHARTERED CERTIFIED ACCOUNTANTS
REGISTERED AUDITORS
FARNEEM HOUSE
133 EAST PARK ROAD
LEICESTER**



KAZFAM KITCHEN SYSTEMS LIMITED

TRADING AS HOME INTERIORS

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FOR THE YEAR ENDED 30TH JUNE 1998

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KAZFAM KITCHEN SYSTEMS LIMITED
TRADING AS HOME INTERIORS

COMPANY PARTICULARS

REGISTRATION:	In England, no 2027268
DIRECTORS:	Mr F K Hussein Mrs F Hussein
SECRETARY:	Mrs F Hussein
REGISTERED OFFICE:	6 Gower Street LEICESTER LE1 3LG
TRADING ADDRESS:	6 Gower Street LEICESTER LE1 3LG
AUDITORS:	Girach & Co Chartered Certified Accountants Registered Auditors Farneem House 133 East Park Road Leicester LE5 5AZ
BANKERS:	Lloyds Bank plc P.O. Box 33 7 High Street LEICESTER LE1 9FS

KAZFAM KITCHEN SYSTEMS LIMITED TRADING AS HOME INTERIORS
REPORT OF THE AUDITORS TO KAZFAM KITCHEN SYSTEMS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements pages three to five together with the financial statements of Kazfam Kitchen Systems Limited prepared under section 226 of the Companies Act 1995 for the year ended 30th June 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts in accordance with Section 246 (5) and (6) of the Act and whether the accounts have been properly prepared in accordance those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of the Companies Act 1985 in respect of the year ended 30th June 1998, and the abbreviated accounts on pages three to five are properly prepared in accordance with these provisions..

Other Information

On 1 September 1998 we reported, as auditors of Kazfam Kitchen Systems Limited, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1998 and our audit report was as follows:-

"We have audited the financial statements on pages four to ten which have been prepared under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page 2 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 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 that the financial statements are free from material misstatement, whether caused by fraud or other irregularity of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 1998 and of its profit/loss for the year then ended and have been properly prepared in accordance with the provision Companies Act 1985 applicable to small companies".

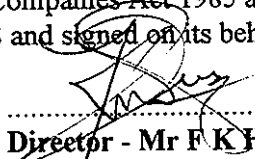
GIRACH & CO *Girach & Co*
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LE5 5AZ
LE2 4JP

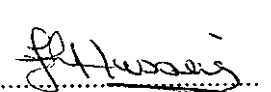
Dated: 1 September 1998

KAZFAM KITCHEN SYSTEMS LIMITED
TRADING AS HOME INTERIORS
BALANCE SHEET AS AT 30TH JUNE 1998

	<u>Note</u>	<u>1998</u>	<u>1997</u>
Fixed Assets			
Tangible Assets	2	70358	59436
Current Assets			
Stock and Work in Progress		57047	30935
Debtors		50833	71944
Cash at Bank and in Hand		10596	2077
		118476	104956
Creditors - Amounts Falling Due Within One Year		(98681)	(90627)
Net Current Assets		19795	14329
Total Assets Less Current Liabilities		90153	73765
Creditors Amounts Falling Due After One Year		(40306)	(35672)
Provision For Liabilities And Charges			
Deferred Taxation		(6817)	(3244)
Net Assets		43030	34849
Capital and Reserves			
Called Up Share Capital	3	2532	2532
Profit And Loss Account		40498	32317
Shareholders' Funds		43030	34849

The financial statements, which have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 applicable to small companies, were approved by the Board on 1 September 1998 and signed on its behalf


 Director - Mr F K Hussein


 Director - Mrs F Hussein

The notes on pages 4 to 5 form part of these accounts.

KAZFAM KITCHEN SYSTEMS LIMITED
TRADING AS HOME INTERIORS
NOTES TO THE ACCOUNT - 30TH JUNE 1998

1. Accounting Policies

Accounting Convention

In accordance with the Companies Act 1985 the financial statements have been prepared under the historical cost convention.

Depreciation

Depreciation is provided on all tangible assets at rates calculated to write off the cost or valuation over their expected useful lives as follows:-

Fixtures and Fittings	: 15% per annum on reducing balance
Motor Vehicles	: 30% per annum on reducing balance
Plant and Machinery	: 25% per annum on reducing balance

Stock

Stocks are stated at the lower of cost and net realisable value on a first in first out basis, after making due allowance for obsolete and slow moving items.

Work in progress in at the lower of cost and net realisable value. Cost is defined as all direct expenses.

Deferred Taxation

Provision is calculated using the liability method on all short term timing differences where it is considered that the liability will arise in the foreseeable future.

Lease and Hire Purchase Contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated face value at the date of inception of lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge.

Rentals paid under operating leases are charged to income as incurred.

2. Turnover

Turnover represents the invoiced amounts of goods sold and service provided states net of value added tax and is attributable to the activity stated in the report of the directors and wholly earned in the United Kingdom.

KAZFAM KITCHEN SYSTEMS LIMITED
TRADING AS HOME INTERIORS
NOTES TO THE ACCOUNT - 30TH JUNE 1998

2. FIXED ASSETS

Tangible Fixed Assets

	£
Cost	
At 1 July 1997	85210
Additions	27071
Disposals	-
	112281
Depreciation	
At 1 July 1997	25774
Disposals	-
Charge for the year	16149
	41923

Net Book Values

At 30 June 1998	70358
At 30 June 1997	59436

3. SHARE CAPITAL

	<u>1998</u>	<u>1997</u>
Authorised ordinary shares of £1 each	<u>£5000</u>	<u>£5000</u>
Issued, subscribed and fully paid Ordinary Shares of £1 each	<u>£2532</u>	<u>£2532</u>

4. DEBENTURE

Bank Overdraft and Bank Loans are secured Director's personal guarantee and unlimited Debenture on the Companys Assets.

5. TRANSACTIONS WITH DIRECTORS

The Company occupies premises owned by the Directors. The rent for the property was £9600 (1997 - £8000) and at Balance Sheet date no amount was outstanding (1997- nil).