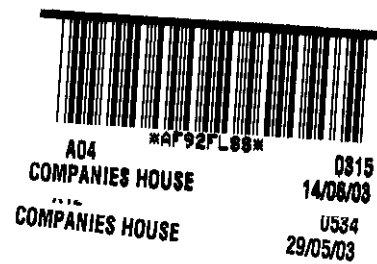


Registration number 2028310

Monomarket Limited

Abbreviated accounts

for the year ended 30 November 2002



Monomarket Limited

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Monomarket Limited
Directors' report
for the year ended 30 November 2002

The directors present their report and the accounts for the year ended 30 November 2002.

Principal activity and review of the business

The principal activity of the company is the retailing of beds, mattresses, sofa beds and pine furniture which it carries out from three locations in the North East of England. The directors are satisfied with the results for the year and continue to concentrate their attention upon managing an efficient retail chain with a strong emphasis on customer service.

Results and dividends

The results for the year are set out on page 5.

The directors have paid an interim dividend amounting to £200,000 and they do not recommend payment of a final dividend.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	30/11/02	01/12/01
G I H Gale	5,001	5,001
G E Gale	4,999	4,999

Charitable and political contributions

During the year the company contributed £3,256 to charities.

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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 keeping 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.

Monomarket Limited

**Directors' report
for the year ended 30 November 2002**

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Peter Weldon & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

The directors recommend that Peter Weldon & Co remain in office until further notice.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

This report was approved by the Board on 14th May 2003 and signed on its behalf by

X

**G E Gale
Secretary**

A handwritten signature in dark ink, appearing to read 'G E Gale', written over a series of horizontal lines.

**Auditors' report to Monomarket Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 5 to 16 together with the financial statements of Monomarket Limited for the year ended 30 November 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision 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 did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 30 November 2002, and the abbreviated accounts on pages 5 to 16 are properly prepared in accordance with that provision.

Other information

On we reported as auditors of Monomarket Limited to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 November 2002 and our audit report was as follows:

' We have audited the financial statements of Monomarket Limited for the year ended 30 November 2002 which comprise the profit and loss account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' are responsible for preparing the Annual Report and financial statements in accordance with the applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

**Auditors' report to Monomarket Limited
under Section 247B of the Companies Act 1985**

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

We read the directors report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 that 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.

Fundamental uncertainty

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 2002 and of its profit for the year then ended and have been properly prepared in accordance with the

Peter Weldon & Company

10/06/03

**Peter Weldon & Co
Chartered Accountants and
Registered auditors**

**87 Station Road
Ashington
Northumberland**

NE63 8RS

Monomarket Limited

**Abbreviated profit and loss account
for the year ended 30 November 2002**

		Continuing operations	
		2002	2001
	Notes	£	£
Gross profit		2,234,764	2,053,933
Administrative expenses		(1,906,499)	(1,741,664)
Operating profit	2	<u>328,265</u>	<u>312,269</u>
Other interest receivable and similar income		1,167	824
Interest payable and similar charges	4	<u>(27,149)</u>	<u>(34,935)</u>
Profit on ordinary activities before taxation		302,283	278,158
Tax on profit on ordinary activities	7	<u>(67,482)</u>	<u>(67,956)</u>
Profit on ordinary activities after taxation		234,801	210,202
Dividends	8	<u>(200,000)</u>	<u>(150,000)</u>
Retained profit for the year		34,801	60,202
Retained profit brought forward		<u>439,287</u>	<u>379,085</u>
Retained profit carried forward		<u><u>474,088</u></u>	<u><u>439,287</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 8 to 16 form an integral part of these financial statements.

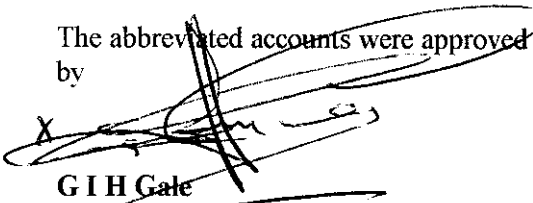
Monomarket Limited

**Abbreviated balance sheet
as at 30 November 2002**

		2002		2001	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		1,152,476		1,121,086
Investments	10		100		100
			<u>1,152,576</u>		<u>1,121,186</u>
Current assets					
Stocks	11	382,055		534,393	
Debtors	12	111,170		102,259	
Cash at bank and in hand		270,905		301,949	
		<u>764,130</u>		<u>938,601</u>	
Creditors: amounts falling due within one year	13	(1,069,702)		(1,237,113)	
Net current liabilities			<u>(305,572)</u>		<u>(298,512)</u>
Total assets less current liabilities			847,004		822,674
Creditors: amounts falling due after more than one year	14		(347,369)		(363,322)
Provisions for liabilities and charges	15		<u>(15,547)</u>		<u>(10,065)</u>
Net assets			<u>484,088</u>		<u>449,287</u>
Capital and reserves					
Called up share capital	17		10,000		10,000
Profit and loss account			474,088		439,287
Equity shareholders' funds	18		<u>484,088</u>		<u>449,287</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The abbreviated accounts were approved by the Board on 14th May 2003 and signed on its behalf by


G I H Gale
Director

The notes on pages 8 to 16 form an integral part of these financial statements.

Monomarket Limited

Cash flow statement for the year ended 30 November 2002

	Notes	2002 £	2001 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		328,265	312,269
Depreciation		65,012	67,312
Decrease in stocks		152,338	(86,602)
(Increase) in debtors		(8,911)	3,671
(Decrease) in creditors		(23,169)	214,898
Net cash inflow from operating activities		<u>513,535</u>	<u>511,548</u>
Cash flow statement			
Net cash inflow from operating activities		513,535	511,548
Returns on investments and servicing of finance	20	(25,982)	(34,111)
Taxation	20	(57,159)	1,841
Capital expenditure	20	(91,562)	(171,263)
		<u>338,832</u>	<u>308,015</u>
Equity dividends paid		(200,000)	(150,000)
		<u>138,832</u>	<u>158,015</u>
Financing	20	(48,840)	664
Increase in cash in the year		<u>89,992</u>	<u>158,679</u>
Reconciliation of net cash flow to movement in net funds (Note 21)			
Increase in cash in the year		89,992	158,679
Cash inflow from decrease in debts and lease financing		(654)	(664)
		<u>89,338</u>	<u>158,015</u>
Change in net funds resulting from cash flows		89,338	158,015
New finance leases and hire purchase contracts		(7,798)	(2,958)
Movement in net funds in the year		<u>81,540</u>	<u>155,057</u>
Net debt at 1 December 2001		<u>(266,944)</u>	<u>(396,658)</u>
Net debt at 30 November 2002		<u>(185,404)</u>	<u>(241,601)</u>

Monomarket Limited

Notes to the abbreviated financial statements for the year ended 30 November 2002

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention .

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

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

Land and buildings	-	Straight line over 75 years
Fixtures, fittings and equipment	-	15% Written Down Value
Motor vehicles	-	25% Written Down Value

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

1.8. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise or the amounts are considered to be immaterial.

Monomarket Limited

Notes to the abbreviated financial statements for the year ended 30 November 2002

..... continued

1.9. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	65,012	65,861
Loss on disposal of tangible fixed assets	-	1,451
Operating lease rentals		
- Land and buildings	68,697	76,696
Auditors' remuneration	7,000	6,779
	<u> </u>	<u> </u>

3. Interest receivable and similar income

	2002	2001
	£	£
Bank interest	1,167	824
	<u> </u>	<u> </u>

4. Interest payable and similar charges

	2002	2001
	£	£
On bank loans and overdrafts	22,180	30,225
Hire purchase interest	4,969	4,710
	<u> </u>	<u> </u>
	27,149	34,935
	<u> </u>	<u> </u>

Monomarket Limited

Notes to the abbreviated financial statements for the year ended 30 November 2002

..... continued

5. Employees

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

	2002	2001
Administration	6	6
Sales	39	41
	<u>45</u>	<u>47</u>

Employment costs

	2002 £	2001 £
Wages and salaries	930,658	798,909
Other pension costs	18,955	22,188
	<u>949,613</u>	<u>821,097</u>

5.1. Directors' emoluments

	2002 £	2001 £
Remuneration and other emoluments	98,100	98,100
Pension contributions	3,661	12,792
	<u>101,761</u>	<u>110,892</u>

	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>2</u>	<u>2</u>

6. Pension costs

The company operates a defined contribution pension scheme in respect of the directors and employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £18,955 (2001 - £22,188).

Monomarket Limited

**Notes to the abbreviated financial statements
for the year ended 30 November 2002**

..... continued

7.	Taxation			2002	2001
				£	£
	UK current year taxation				
	UK corporation tax			62,000	57,891
	Transfer to deferred taxation			5,482	10,065
				<u>67,482</u>	<u>67,956</u>
8.	Dividends			2002	2001
				£	£
	Dividends on equity shares:				
	Ordinary shares - interim paid			<u>200,000</u>	<u>150,000</u>
9.	Tangible fixed assets	Land and buildings freehold	Fixtures, fittings and equipment	Motor vehicles	Total
		£	£	£	£
	Cost				
	At 1 December 2001	1,010,246	113,683	210,785	1,334,714
	Additions	48,493	13,409	34,500	96,402
	At 30 November 2002	<u>1,058,739</u>	<u>127,092</u>	<u>245,285</u>	<u>1,431,116</u>
	Depreciation				
	At 1 December 2001	72,462	58,158	83,008	213,628
	Charge for the year	14,103	10,340	40,569	65,012
	At 30 November 2002	<u>86,565</u>	<u>68,498</u>	<u>123,577</u>	<u>278,640</u>
	Net book values				
	At 30 November 2002	<u>972,174</u>	<u>58,594</u>	<u>121,708</u>	<u>1,152,476</u>
	At 30 November 2001	<u>937,784</u>	<u>55,525</u>	<u>127,777</u>	<u>1,121,086</u>

Monomarket Limited

**Notes to the abbreviated financial statements
for the year ended 30 November 2002**

..... continued

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

Asset description	2002		2001	
	Net	Depreciation	Net	Depreciation
	book value £	charge £	book value £	charge £
Motor vehicles	-	-	58,972	19,657

10. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 December 2001		
At 30 November 2002	100	100
Net book values		
At 30 November 2002	100	100
At 30 November 2001	100	100

11. Stocks	2002 £	2001 £
Finished goods and goods for resale	382,055	534,393

12. Debtors	2002 £	2001 £
Trade debtors	82,112	88,429
Prepayments and accrued income	29,058	13,830
	111,170	102,259

Monomarket Limited

**Notes to the abbreviated financial statements
for the year ended 30 November 2002**

..... continued

13. Creditors: amounts falling due within one year	2002 £	2001 £
Bank overdraft	88,266	176,019
Bank loan	-	69,492
Net obligations under finance leases and hire purchase contracts	45,565	37,113
Trade creditors	587,839	498,742
Corporation tax	64,283	59,732
Other taxes and social security costs	89,841	86,344
Directors' accounts	50,342	152,328
Other creditors	125,214	78,673
Accruals and deferred income	18,352	78,670
	<u>1,069,702</u>	<u>1,237,113</u>

14. Creditors: amounts falling due after more than one year	2002 £	2001 £
Bank loan	347,369	324,224
Net obligations under finance leases and hire purchase contracts	-	39,098
	<u>347,369</u>	<u>363,322</u>

15 Provisions for liabilities and charges

	Deferred taxation (Note 16) £	Total £
At 1 December 2001	10,065	10,065
Movements in the year	5,482	5,482
At 30 November 2002	<u>15,547</u>	<u>15,547</u>

Monomarket Limited

**Notes to the abbreviated financial statements
for the year ended 30 November 2002**

..... continued

16. Deferred taxation

Deferred tax is analysed over the following timing differences:

	Not provided		Provided	
	2002	2001	2002	2001
	£	£	£	£
Accelerated capital allowances	<u>-</u>	<u>-</u>	<u>15,547</u>	<u>10,065</u>

Movements on the provision for deferred taxation are:

	2002	2001
	£	£
At 1 December 2001	10,065	-
Transferred from profit and loss account	<u>5,482</u>	<u>10,065</u>
At 30 November 2002	<u>15,547</u>	<u>10,065</u>

17. Share capital

	2002	2001
	£	£
Authorised equity		
10,000 Ordinary shares of 1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid equity		
10,000 Ordinary shares of 1 each	<u>10,000</u>	<u>10,000</u>

18. Reconciliation of movements in shareholders' funds

	2002	2001
	£	£
Profit for the year	234,801	210,202
Dividends	<u>(200,000)</u>	<u>(150,000)</u>
	34,801	60,202
Opening shareholders' funds	<u>449,287</u>	<u>389,085</u>
Closing shareholders' funds	<u>484,088</u>	<u>449,287</u>

Monomarket Limited

Notes to the abbreviated financial statements for the year ended 30 November 2002

..... continued

19. Financial commitments

At 30 November 2002 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2002	2001
	£	£
Expiry date:		
Between one and five years	55,795	56,400
In over five years	55,795	56,400
	<u>111,590</u>	<u>112,800</u>

20. Gross cash flows

	2002	2001
	£	£
Returns on investments and servicing of finance		
Interest received	1,167	824
Interest paid	(27,149)	(34,935)
	<u>(25,982)</u>	<u>(34,111)</u>
Taxation		
Corporation tax paid	(57,159)	1,841
	<u>(57,159)</u>	<u>1,841</u>
Capital expenditure		
Payments to acquire tangible assets	(91,562)	(177,263)
Receipts from sales of tangible assets	-	6,000
	<u>(91,562)</u>	<u>(171,263)</u>
Financing		
Capital element of finance leases and hire purchase contracts	(48,830)	664
	<u>(48,830)</u>	<u>664</u>

Monomarket Limited

**Notes to the abbreviated financial statements
for the year ended 30 November 2002**

..... continued

21. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	301,949	(31,044)		270,905
Overdrafts	(176,019)	87,753		(88,266)
	<u>125,930</u>	<u>56,709</u>		<u>182,639</u>
Debt due after one year	(347,369)	-	-	(347,369)
Finance leases and hire purchase contracts	(45,505)	(654)	(7,798)	(53,957)
	<u>(392,874)</u>	<u>(654)</u>	<u>(7,798)</u>	<u>(401,326)</u>
Net funds	<u>(266,944)</u>	<u>56,055</u>	<u>(7,798)</u>	<u>(218,687)</u>