

COMPANY NUMBER: 2307708

FURNITURE VILLAGE PLC
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994



FURNITURE VILLAGE PLC
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 1994

DIRECTORS

J G Rose - Chairman
D J G Imrie
P J Harrison
P A Grant
S A Corbyn

The directors have pleasure in presenting their report and financial statements for the year ended 31 December 1994.

The directors are pleased to report once again that in 1994 the company received the Furniture Industry award of "Independent Furniture Retailer of the Year". A distinction that was also achieved in 1993.

RESULTS AND DIVIDENDS

The profit for the year, before taxation and dividends on preference shares, was £744,923 (1993: £552,788 - plus an exceptional profit of £1,502,041 on the sale and leaseback of premises purchased in 1992). After charging taxation and dividends on preference shares the retained profit of £379,315 was transferred to revenue reserves which at the year end were £1,625,128.

Once again the directors do not recommend the payment of a dividend on the Ordinary shares as the cash resources continue to be retained to finance the store expansion programme.

REVIEW OF THE BUSINESS

The principal activity of the company is the sale of quality furnishings in the retail market.

Turnover for the year increased by 17% to £14,751,000 (1993: £12,575,572). Profit for 1994, before tax and dividend on the preference shares was £744,923, but after adding back £94,891 of expenditure relating to future expansion, the figure becomes £839,814, an increase of more than 50% over the 1993 profit which was £552,788 before exceptionals.

The company's first Central London store commenced trading from a prime position in Fulham on 26 December 1994 with a sales area of some 20,000 sq. ft., and already Fulham has become our most successful outlet in terms of orders taken.

With the opening of Fulham the company is currently trading from five stores with a total selling area of about 105,000 sq. ft. The Directors are pleased to be able to report that 1995 has got off a brisk start with orders received in January and February being ahead of both budget and last year on a like for like basis. At the end of February the company's forward order book stood at £3.95m.

Looking further forward contracts have been exchanged on three further stores and negotiations for a fourth are at an advanced stage. All these stores will be in new build premises in prime edge of town locations and will commence trading in 1995 and 1996. Adequate finances are expected to be available to fund this expansion.

FURNITURE VILLAGE PLC
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

TANGIBLE FIXED ASSETS

Details of the movements in fixed assets are shown in note 8 to the financial statements.

SHARE CAPITAL

During the year 24,440 "B" Ordinary shares of £1 each were issued to Cadogan Estates Limited of which 12,220 were issued at par for cash and 12,220 were capitalised out of reserves. The resulting position is shown in item 16 of the notes to the financial statements.

PERSONNEL

Great care goes into the selection of staff for all departments and many have been with the company since their store commenced trading. They all contribute to the strength of the business and the directors very much appreciate their commitment at all levels.

SUPPLIERS AND CONTRACTORS

Considerable care also goes into the selection of products and services from many parts of the world and the people that supply them. Their support and goodwill is an important and much appreciated ingredient in the success of this business for the benefit of both parties.

DIRECTORS' INTERESTS

The beneficial interests of the directors and their families in the share capital of the company were as follows:-

	1994		1993	
	Shares of £1 each		Shares of £1 each	
	"A" Ordinary	"B" Ordinary	"A" Ordinary	"B" Ordinary
J G Rose	30,000	-	30,000	-
P J Harrison	60,000	-	60,000	-
D J G Imrie	60,000	-	60,000	-
P A Grant	-	15,000	-	-
S A Corbyn	-	-	-	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 to prepare financial statements 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 result for the year. The directors consider that, in preparing the financial statements which accompany this report, the company has used appropriate accounting policies, and that all accounting standards which they believe to be applicable have been followed. They further consider that these accounting policies have been consistently applied and are supported by reasonable and prudent judgements and estimates.

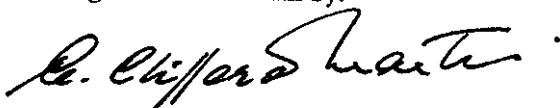
FURNITURE VILLAGE PLC
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. The directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the company's assets and to prevent and detect fraud and other irregularities.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Clark Whitehill as auditors to the company will be put to the Annual General Meeting.

Approved by the Board on 15 March 1995
and signed on its behalf by:



G C Martin

Secretary

17 Eyston Way
Abingdon

AUDITORS' REPORT
TO THE SHAREHOLDERS OF FURNITURE VILLAGE PLC

We have audited the financial statements on pages 5 to 15 which have been prepared under the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Directors' Report on pages 1 to 3 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 financial 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.

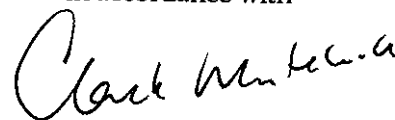
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

UNQUALIFIED OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 1994 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

37 Minster Street
Reading

16 March 1995



CLARK WHITEHILL
Chartered Accountants
and Registered Auditor

FURNITURE VILLAGE PLC
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1994

	Notes	1994 £	1993 £
TURNOVER	2	14,751,000	12,575,572
Cost of sales		<u>(9,913,567)</u>	<u>(8,602,796)</u>
GROSS PROFIT		4,837,433	3,972,776
Distribution costs	3a	(1,945,829)	(1,635,737)
Administration expenses	3b	<u>(2,243,804)</u>	<u>(1,691,675)</u>
OPERATING PROFIT	3	647,800	645,364
Exceptional profit on the sale and leaseback of freehold property		-	1,502,041
Interest receivable		99,406	2,467
Interest payable	5	<u>(2,283)</u>	<u>(95,043)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		744,923	2,054,829
Tax on profit on ordinary activities	6	<u>(269,608)</u>	<u>(154,949)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		475,315	1,899,880
DIVIDENDS	7	<u>(96,000)</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR TRANSFERRED TO RESERVES	17	<u>£ 379,315</u>	<u>£ 1,899,880</u>
ACCUMULATED RESERVES		£	£
At 1 January 1994		1,258,033	(641,847)
Profit for the year		379,315	1,899,880
Capitalisation of reserves	16	<u>(12,220)</u>	<u>-</u>
At 31 December 1994		<u>£1,625,128</u>	<u>£ 1,258,033</u>

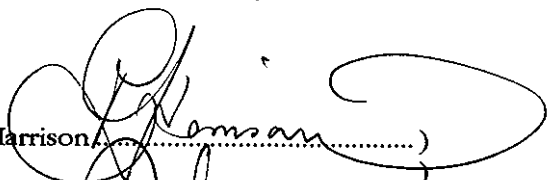
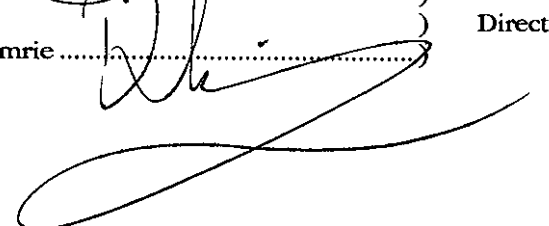
The Profit and Loss Account contains all the gains and losses recognised in the year.

The notes on pages 8 to 15 form part of these financial statements.

FURNITURE VILLAGE PLC
BALANCE SHEET
31 DECEMBER 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Tangible assets	8	2,366,026	1,563,553
CURRENT ASSETS			
Stocks	10	1,881,669	1,400,213
Debtors	11	535,415	883,000
Cash at bank and in hand		<u>1,181,611</u>	<u>2,113,458</u>
		3,598,695	4,396,671
CREDITORS: Amounts falling due within one year	12	<u>(2,156,485)</u>	<u>(2,590,725)</u>
NET CURRENT ASSETS		<u>1,442,210</u>	<u>1,805,946</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,808,236	3,369,499
CREDITORS: Amounts falling due after more than one year	13	(668)	(1,466)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	15	<u>(158,000)</u>	<u>(110,000)</u>
NET ASSETS		<u>£ 3,649,568</u>	<u>£ 3,258,033</u>
CAPITAL AND RESERVES			
Called up share capital	16	2,024,440	2,000,000
Profit and loss account		<u>1,625,128</u>	<u>1,258,033</u>
SHAREHOLDERS' FUNDS	17	<u>£ 3,649,568</u>	<u>£ 3,258,033</u>

Approved by the Board on 15 March 1995
and signed on its behalf by:

P J Harrison 
D J Imrie 
Directors

The notes on pages 8 to 15 form part of these financial statements.

FURNITURE VILLAGE PLC
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 1994

		1994 £	1993 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	20	<u>92,290</u>	<u>1,520,911</u>
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		(2,283)	(95,043)
Interest received		<u>99,406</u>	<u>2,467</u>
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		<u>97,123</u>	<u>(92,576)</u>
TAXATION			
Corporation tax paid		(47,043)	-
Payment from group for tax losses		<u>435</u>	<u>70,051</u>
		<u>(46,608)</u>	<u>70,051</u>
INVESTING ACTIVITIES			
Receipts from sale of freehold property		-	2,700,000
Expenses on sale of freehold property		-	(83,625)
Receipts from sale of other fixed assets		7,914	14,000
Payments to acquire tangible fixed assets		<u>(997,654)</u>	<u>(335,377)</u>
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES		<u>(989,740)</u>	<u>2,294,998</u>
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING		<u>(846,935)</u>	<u>3,793,384</u>
FINANCING			
Dividends paid		(96,000)	-
Capital element of finance lease payments		(1,132)	(18,610)
Issue of ordinary share capital	22	12,220	50,000
Medium term loan repaid		-	(100,000)
Bank loan repaid		<u>-</u>	<u>(880,000)</u>
NET CASH (OUTFLOW) FROM FINANCING		<u>(84,912)</u>	<u>(948,610)</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	21	<u>£ (931,847)</u>	<u>£ 2,844,774</u>

The notes on pages 8 to 15 form part of these financial statements.

FURNITURE VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Depreciation

Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:-

Short leasehold property	- over the lease term
Fixtures, fittings and equipment	- over 4-10 years
Motor vehicles	- over 3-5 years

c) Leased Assets

Where the company has entered into finance leases, the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to legal title.

Rentals payable under operating leases are charged to the profit and loss account as incurred.

d) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is determined on a "first in, first out" basis.

e) Deferred Taxation

Deferred taxation is accounted for using the liability method on all material timing differences to the extent that it is probable that liabilities or assets will crystallise. Timing differences are taxable items, allowances or reliefs which are given effect to in taxation periods different from those in which they have effect in the financial statements. They comprise mainly accelerated tax depreciation allowances and short-term timing differences.

f) Pension Costs

The company contributes to personal pension plans of all eligible employees. Eligibility is defined by length of service. Contributions are charged to the profit and loss account as they are incurred.

2. TURNOVER

Turnover represents the net amount invoiced to customers excluding Value Added Tax and sales of fixed assets. Sales are recognised when goods are delivered and accepted by customers. All turnover relates to household furniture retailing within the United Kingdom.

FURNITURE VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

3. OPERATING PROFIT

This is stated after charging:

	1994 £	1993 £
a) Distribution costs:		
Depreciation		
- tangible owned fixed assets	1,781	2,293
- tangible fixed assets held under finance leases	-	2,205
Other costs	<u>1,944,048</u>	<u>1,631,239</u>
	<u>£1,945,829</u>	<u>£ 1,635,737</u>
b) Administrative expenses:		
Payments made to auditors		
- as auditors	7,500	8,500
- for tax services	1,000	2,000
Depreciation		
- tangible owned fixed assets	179,260	135,531
- tangible fixed assets held under finance leases	-	9,640
Directors' remuneration (note 4(a))	274,758	213,136
Operating lease rentals	807,500	557,500
Other costs	<u>973,786</u>	<u>765,368</u>
	<u>£2,243,804</u>	<u>£ 1,691,675</u>

4. DIRECTORS AND STAFF

a) Directors' emoluments:

Fees	-	-
Other emoluments	<u>274,758</u>	<u>213,136</u>
	<u>£ 274,758</u>	<u>£ 213,136</u>

Emoluments, excluding pension scheme contributions:

Chairman	<u>£ 12,500</u>	<u>£ 6,000</u>
Highest paid director	<u>£ 135,812</u>	<u>£ 109,293</u>

During the year consultancy fees amounting to £20,000 (1993: £20,000) were paid to a company in which the chairman has an interest.

Other directors	<u>No.</u>	<u>No.</u>
£ Nil	2	2
£95,001 - £100,000	-	1
£120,001 - £125,000	<u>1</u>	<u>=</u>

FURNITURE VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

4. DIRECTORS AND STAFF (continued)

	1994 £	1993 £
b) Staff costs for all employees including executive directors consist of:		
Wages and salaries	1,354,389	1,093,381
Social security costs	155,942	112,837
Pension costs	<u>9,843</u>	<u>-</u>
	<u>£1,520,174</u>	<u>£ 1,206,218</u>
 The average weekly number of employees during the period was made up as follows:-	 <u>No.</u>	 <u>No.</u>
Office and management	18	17
Retailing and distribution	<u>36</u>	<u>35</u>
	<u>54</u>	<u>52</u>

5. INTEREST PAYABLE

	1994 £	1993 £
On bank loan repaid in the year	-	77,759
On medium term loan repaid in the year	-	3,000
On bank overdraft	-	11,975
On finance leases	<u>2,283</u>	<u>2,309</u>
	<u>£ 2,283</u>	<u>£ 95,043</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

Taxation based on profits for the year:		
Corporation tax at 33% (1993: 33%)	225,000	50,000
Deferred taxation at 33%	48,000	110,000
Adjustment in respect of prior year	<u>(3,392)</u>	<u>(5,051)</u>
	<u>£ 269,608</u>	<u>£ 154,949</u>

7. DIVIDENDS

Preference shares	Interim - paid August	48,000	-
	Final - paid December	<u>48,000</u>	<u>-</u>
		<u>£ 96,000</u>	<u>£ -</u>

FURNITURE VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

8. TANGIBLE FIXED ASSETS

	Short Leasehold Property £	Fixtures, Fittings Equipment and Vehicles £	Total £
COST:			
At 1 January 1994	1,038,626	961,522	2,000,148
Additions at cost	714,464	283,190	997,654
Disposals	-	(44,931)	(44,931)
Reclassification	<u>50,000</u>	<u>(50,000)</u>	<u>-</u>
At 31 December 1994	<u>1,803,090</u>	<u>1,149,781</u>	<u>2,952,871</u>
DEPRECIATION:			
At 1 January 1994	164,922	271,673	436,595
Charge for the year	48,356	132,685	181,041
Disposals	<u>-</u>	<u>(30,791)</u>	<u>(30,791)</u>
At 31 December 1994	<u>213,278</u>	<u>373,567</u>	<u>586,845</u>
NET BOOK VALUE:			
At 31 December 1994	<u>£ 1,589,812</u>	<u>£ 776,214</u>	<u>£ 2,366,026</u>
At 31 December 1993	<u>£ 873,704</u>	<u>£ 689,849</u>	<u>£ 1,563,553</u>

Assets held under finance leases and hire purchase contracts included within the heading "Fixtures, fittings, equipment and vehicles" were as follows:-

	1994 £	1993 £
Cost	5,055	31,099
Accumulated depreciation	<u>4,529</u>	<u>24,556</u>
Net book value	<u>£ 526</u>	<u>£ 6,543</u>

9. INVESTMENTS

The company has a wholly owned dormant subsidiary called London Bedding Company Limited, which is registered in England and Wales. The aggregate capital and reserves of that company at 31 December 1994 was £ 2.

10. STOCKS

	1994 £	1993 £
Goods for resale	<u>£1,881,669</u>	<u>£ 1,400,213</u>

FURNITURE VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

11. DEBTORS

	1994 £	1993 £
Trade debtors	73,698	64,565
Other debtors	2,200	467,061
Prepayments	<u>459,517</u>	<u>351,374</u>
	<u>£ 535,415</u>	<u>£ 883,000</u>

12. CREDITORS: Amounts falling due within one year

Obligations under finance leases and hire purchase contracts (see note 14)	1,376	1,710
Deposits on goods not delivered (see note 2)	554,974	581,587
Trade creditors	1,072,338	1,028,577
Corporation tax	225,000	50,000
Other taxes and social security costs	73,327	682,462
Accruals	<u>229,470</u>	<u>246,389</u>
	<u>£2,156,485</u>	<u>£ 2,590,725</u>

13. CREDITORS: Amounts falling due after more than one year

Obligations under finance leases and hire purchase contracts (see note 14)	<u>668</u>	<u>1,466</u>
	<u>£ 668</u>	<u>£ 1,466</u>

14. FINANCIAL COMMITMENTS

Obligations under finance leases and hire purchase contracts are repayable as follows:-

Within one year	1,376	1,710
Between one and two years	<u>668</u>	<u>1,466</u>
	<u>£ 2,044</u>	<u>£ 3,176</u>

FURNITURE VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

15. DEFERRED TAXATION

Deferred taxation provided in the financial statements and the total potential liability including the amounts for which provision has been made, is as follows:-

	1994		1993	
	Full Potential Liability	Provided in the Financial Statements	Full Potential Liability	Provided in the Financial Statements
	£	£	£	£
Timing differences arising from:				
Accelerated tax depreciation allowances	157,200	157,200	110,000	110,000
Short term timing differences	800	800	-	-
Capital gains rolled over	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
	<u>£ 658,000</u>	<u>£ 158,000</u>	<u>£ 610,000</u>	<u>£ 110,000</u>

The movement in the provision for deferred tax is as follows:-

	£
Provision at 1 January 1994	110,000
Transfer to profit and loss account	<u>48,000</u>
Provision at 31 December 1994	<u>£ 158,000</u>

No provision has been made in respect of the corporation tax due on the capital gain as the directors propose to roll over the gain into future non wasting qualifying capital expenditure.

16. CALLED UP SHARE CAPITAL

	1994 £	1993 £
AUTHORISED:		
"A" Ordinary shares of £1 each	150,000	150,000
"B" Ordinary shares of £1 each	550,000	450,000
"C" Ordinary shares of £1 each	400,000	400,000
9.3% Cumulative preference shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
	<u>£2,100,000</u>	<u>£ 2,000,000</u>
ALLOTTED, CALLED UP AND FULLY PAID:		
"A" Ordinary shares of £1 each	150,000	150,000
"B" Ordinary shares of £1 each	474,440	450,000
"C" Ordinary shares of £1 each	400,000	400,000
9.3% Cumulative preference shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
	<u>£2,024,440</u>	<u>£ 2,000,000</u>

FURNITURE VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

16. CALLED UP SHARE CAPITAL (continued)

All of the ordinary shares rank pari passu. The preference shares are to be redeemed between 1998 and 2003 with dividends payable half yearly.

On 10 August 1994 an Ordinary Resolution was passed to increase the authorised Share Capital of the company from £2,000,000 to £2,100,000 by the creation of 100,000 "B" Ordinary Shares of £1 each ranking pari passu with the existing "B" Ordinary Shares. On the same day 24,440 "B" Ordinary Shares were issued, 12,220 for a cash consideration at par and 12,220 by way of capitalisation of reserves.

17. SHAREHOLDERS' FUNDS

	1994 £	1993 £
At 1 January 1994	3,258,033	1,308,153
Retained profit for the year	379,315	1,899,880
Issue of shares for cash	<u>12,220</u>	<u>50,000</u>
At 31 December 1994	<u>£3,649,568</u>	<u>£ 3,258,033</u>
ANALYSIS OF SHAREHOLDERS' FUNDS		
Equity shareholders' funds	2,649,568	2,258,033
Non -Equity shareholders' funds	<u>1,000,000</u>	<u>1,000,000</u>
	<u>£3,649,568</u>	<u>£ 3,258,033</u>

18. OTHER FINANCIAL COMMITMENTS

The following annual commitments existed at 31 December 1994 in respect of non-cancellable operating leases which are all property leases:

	1994	1993
Falling due in more than 5 years	<u>£1,137,100</u>	<u>£ 807,500</u>

19. ULTIMATE PARENT COMPANY

With effect from 6 January 1995 the company's holding company for all operational purposes is Cadogan Group Limited. The company's ultimate parent company is Cadogan Settled Estates Limited, which is registered in England and Wales.

FURNITURE VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 1994

20. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1994 £	1993 £
Operating profit	647,800	645,364
Depreciation charge	181,041	149,669
Loss on disposal of fixed assets	5,669	5,194
(Increase) in stocks	(481,456)	(68,488)
Decrease/(increase) in debtors	347,585	(337,021)
(Decrease)/increase in creditors	<u>(608,349)</u>	<u>1,126,193</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>£ 92,290</u>	<u>£ 1,520,911</u>

21. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1994	1993	Change in the Year
Cash at bank and in hand	<u>£1,181,611</u>	<u>£ 2,113,458</u>	<u>£ (931,847)</u>

22. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Share Capital £
Balance at 1 January 1994	2,000,000
Issue of shares for cash	12,220
Issue of shares by capitalisation of reserves	<u>12,220</u>
Balance at 31 December 1994	<u>£ 2,024,440</u>

23. CAPITAL COMMITMENTS

Future capital expenditure not otherwise included in these financial statements.

	1994 £	1993 £
Authorised by the directors and contracted for	<u>£ 315,000</u>	<u>£ -</u>