g/c's to be signed
& returned

80791

W NELSON & COMPANY LIMITED

1/3 MIDDLETON AVENUE

STRUTHERHILL INDUSTRIAL ESTATE

LARKHALL

BALANCE SHEET

as at

30th SEPTEMBER 1995

together with

RELATIVE ACCOUNTS

AZ



MacLeod Paxton Woolard & Company
Paxton House
11 Woodside Crescent
Charing Cross
GLASGOW
G3 7UL

W NELSON & COMPANY LIMITED

Registration Number:- 80791

DIRECTORS:- W Nelson
R Nelson

SECRETARY:- R Nelson

AUDITORS:- MacLeod Paxton Woolard & Company
Paxton House
11 Woodside Crescent
Charing Cross
GLASGOW
G3 7UL

BANKERS:- Bank of Scotland
39 Union Street
LARKHALL
ML9 1DT

SOLICITORS:- Gebbie & Wilson
18 Commongreen
STRATHAVEN
ML10 6AG

REGISTERED OFFICE:- 1/3 Middleton Avenue
Strutherhill
LARKHALL

W NELSON & COMPANY LIMITED

DIRECTORS' REPORT

The Directors present their report and accounts for the period ended 30th September 1995.

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounts to £35,734. The Directors recommend a final ordinary dividend amounting to £30,000, which leaves a profit of £5,734 to be retained.

PRINCIPLE ACTIVITY AND REVIEW OF THE BUSINESS

The company's principle activity during the period continued to be the sale of specialised furniture.

Turnover had increased by 10% during the period.

FUTURE DEVELOPMENTS

The Directors foresee a difficult year of trading, but are confident that profits will still be achieved.

FIXED ASSETS

Details of changes in fixed assets are set out in Note 9 to the accounts.

EVENTS SINCE THE BALANCE SHEET DATE

There were no important events affecting the company which have occurred since the balance sheet date.

DIRECTORS AND THEIR INTERESTS

The Directors at 30th September 1995 and their interests in the Share Capital of the company were as follows:-

	ORDINARY SHARES	
	At 30.09.95	At 31.10.94
W Nelson	50	50
R Nelson	50	50

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the period, the company made no political or charitable contributions.

AUDITORS

A resolution to re-appoint Messrs MacLeod Paxton Woolard & Company as auditors will be put to the members at the annual general meeting.

BY ORDER OF THE BOARD

x R Nelson

R Nelson
Secretary

Date 7.12.95

DIRECTORS' RESPONSIBILITIES (IN RESPECT OF THE FINANCIAL STATEMENTS)

The Directors are required by Company Law to prepare financial statements which give a true and fair view of the state of affairs of the Company at the end of each financial year and of the profit of the company for the period to that date.

The Directors are responsible for ensuring that systems are in place for maintaining adequate accounting records, safeguarding the assets of the company and preventing and detecting fraud and other irregularities; preparing the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors confirm that, to the best of their knowledge and belief:

suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the company's financial statements; and

applicable accounting standards have been followed.

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

RESPONSIBILITY

It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts.

OPINION

'In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30th September 1995 and of the profit of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'

MACLEOD PAXTON WOOLARD & COMPANY
REGISTERED AUDITORS
11 WOODSIDE CRESCENT
CHARING CROSS
GLASGOW
G3 7UL



DATE: 7/12/95

W NELSON & COMPANY LIMITED

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 30th SEPTEMBER 1995

	NOTE	1995 £	1994 £
TURNOVER	2	575,622	522,524
Cost of Sales		448,615	421,559
GROSS PROFIT		127,007	100,965
Distribution Costs		7,399	6,067
Administrative Expenses		85,427	91,356
		92,826	97,423
		34,181	3,542
Other Operating Income		2,500	-
Income from Interest in Associated Undertakings		-	-
OPERATING PROFIT	3	36,681	3,542
Bank Interest Receivable		13,771	10,555
Interest Payable	6	(1,252)	-
		12,519	10,555
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		49,200	14,097
Tax on Profit on Ordinary Activities	7	13,466	10,041
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		35,734	4,056
Dividend	8	30,000	9,000
RETAINED PROFIT FOR PERIOD		£ 5,734	£ 4,944

(1) A Statement of the movement of reserve is given in Note 17.

(2) Continuing Operations

None of the Company's activities were acquired or discontinued during the above two financial periods.

(3) Total Recognised Gains and Losses

The Company has no recognised gains or losses other than the profit or loss for the above two financial periods.

W NELSON & COMPANY LIMITED

BALANCE SHEET AS AT 30th SEPTEMBER 1995

	NOTE	1995 £	1994 £
FIXED ASSETS			
Tangible Assets	9	76,432	65,595
CURRENT ASSETS			
Stocks	10	38,820	47,831
Debtors	11	17,426	9,391
Cash at Bank and In Hand		315,416	257,126
		371,662	314,348
CREDITORS: Amounts Falling Due Within One Year	12	113,683	51,266
NET CURRENT ASSETS		257,979	263,082
TOTAL ASSETS LESS CURRENT LIABILITIES		334,411	328,677
CREDITORS: Amounts Falling Due After More Than One Year			
Bank Loans		-	-
Obligations Under Finance Leases and Hire Purchase Contracts		-	-
		-	-
TOTAL NET ASSETS		£334,411	£328,677
CAPITAL AND RESERVES			
Called Up Share Capital	13	100	100
Profit & Loss Account	17	334,311	328,577
		£334,411	£328,677

DIRECTOR - W NELSON

APPROVED 7/12/95 DATE

W NELSON & COMPANY LIMITED

NOTES TO THE ACCOUNTS AT 30th SEPTEMBER 1995

1. ACCOUNTING POLICIES

Accounting Convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

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."

Depreciation

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

Leasehold Land & Buildings	20% Reducing Balance Method
Fixtures & Fittings	20% Reducing Balance Method
Motor Vehicles	25% Reducing Balance Method

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value, as follows:

Goods for resale	- purchase cost on a first-in, first-out basis.

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

Deferred Taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse, except to the extent that in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The Company operates a defined contribution pension scheme. Contributions are charged to the profit and loss as they become payable in accordance with the rules of the scheme.

2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

Turnover is attributable to one activity.

W NELSON & COMPANY LIMITED

NOTES TO THE ACCOUNTS (CONT'D)

3. OPERATING PROFIT

	1995 £	1994 £
This is stated after charging/ (crediting).		
Auditors' Remuneration	1,350	1,350
Depreciation of Owned Fixed Assets	12,063	14,430
Depreciation of Assets Held Under Finance Leases and Hire Purchase Contracts	-	-
Amortisation of Goodwill	-	-
Operating Lease Rentals:-		
Plant & Machinery	-	-
Land & Buildings	-	-

4. DIRECTORS REMUNERATION

Fees	13,980	29,000
Other Emoluments (including pension contributions)	5,000	5,000
Pensions to Former Directors	-	-
	£18,980	£34,000

Directors' Emoluments, excluding pension contributions, fell within the following ranges:-

	No	No
£ 0,001 - £ 5,000	1	-
£10,001 - £15,000	1	1
£15,001 - £20,000	-	1

The emoluments, excluding pension contributions, of the Chairman, who was also the highest paid Director, were £12,620 (1994 - £29,000)

5. STAFF COSTS

Wages & Salaries	50,599	72,211
Social Security Costs	4,289	6,522
Other Pension Costs	5,000	5,000
	£59,888	£83,733

The average weekly number of employees during the year was as follows:-	No	No
Administration	5	5
Manufacturing	-	-
	5	5

W NELSON & COMPANY LIMITED

NOTES TO THE ACCOUNTS (CONT'D)

6. INTEREST PAYABLE

	1995	1994
Bank Loans and Overdrafts	-	-
Other Loans Not Wholly Repayable Within Five Years	-	-
Finance Charges Payable Under Finance Leases and Hire Purchase Contracts	-	-
	£ -	£ -

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

Based on the Profit for the Year:		
Corporation Tax at 25%	13,500	3,200
Corporation Tax Overprovided in Previous Year	(34)	6,666
Corporation Tax Interest	-	175
	£13,466	£10,041

8. DIVIDENDS

Ordinary	30,000	9,000

9. TANGIBLE FIXED ASSETS

	Leasehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Total
	£	£	£	£
Cost or Valuation				
At 01.11.94	112,774	2,682	45,624	161,080
Additions	-	-	44,400	44,400
Disposals	-	-	(24,500)	(24,500)
At 30.09.95	112,774	2,682	65,524	180,980
Depreciation				
At 01.11.94	74,493	1,738	19,254	95,485
Provided During the Yr	7,656	189	4,218	12,063
Disposals	-	-	(3,000)	(3,000)
At 30.09.95	£ 82,149	£1,927	£20,472	£104,548
N.B.V. at 30.09.95	£ 30,625	£ 755	£45,052	£ 76,432
N.B.V. at 31.10.94	£ 38,281	£ 944	£26,370	£ 65,595

W NELSON & COMPANY LTD

NOTES TO THE ACCOUNTS (Cont'd)

10. STOCKS

	1995 £	1994 £
Goods for Resale	38,820	47,831

The difference between purchase price of stocks and their replacement cost is not material.

11. DEBTORS

Trade Debtors	17,426	9,391
Other Debtors	-	-
Prepayments & Accrued Income	-	-
	£17,426	£ 9,391

Included in trade debtors is an amount of £Nil which is due after more than one year (1994 - Nil).

12. CREDITORS: Amounts Falling Due Within One Year

Current Instalment Due on Bank Loan	-	-
Loan from Directors	43,328	9,034
Obligations under Finance Leases and Hire Purchase Contracts	-	-
Trade Creditors	26,694	19,318
Current Corporation Tax	13,500	3,200
Other Taxes and Social Security Costs	1,088	1,012
Other Creditors	11,641	3,292
Accruals	17,432	15,410
Proposed Final Dividend	-	-
	£113,683	£ 51,266

Included within other creditors is £Nil (1994 - £Nil) relating to outstanding contributions payable to the pension scheme.

13. SHARE CAPITAL

	Authorised		Allotted, Called Up and Fully Paid	
	1995 £	1994 £	1995 £	1994 £
Ordinary Shares of £1	100	100	100	100

W NELSON & COMPANY LIMITED

NOTES TO THE ACCOUNTS (CONT'D)

14. POST BALANCE SHEET EVENTS

	1995	1994
Contracted	-	-
Authorised by the Directors but not contracted	-	-
	£ -	£ -

15. PENSION COMMITMENTS

The company operates a defined contributions pension scheme for its directors and senior employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

16. OTHER FINANCIAL COMMITMENTS

At 30.09.95 the company had annual commitments under non-cancellable operating leases as set out below:-

	Land and Buildings		Other	
	1995 £	1994 £	1995 £	1994 £
Operating Leases which expire:-				
Within One Year	-	-	-	-
Within Two - Five Years	-	-	-	-
In Over Five Years	-	-	-	-
	£ -	£ -	£ -	£ -

17. MOVEMENT OF RESERVES

	1995	1994
Profit & Loss Account Brought Forward	328,577	333,521
Profit/(Loss) for year	5,734	(4,944)
Profit & Loss Account Carried Forward	£334,311	£328,577

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

Profit for financial year	35,734	4,056
Dividend	30,000	9,000
Net Addition to Shareholders Funds	5,734	(4,944)
Opening Shareholders Funds	328,677	333,621
Closing Shareholders Funds	334,411	328,677