

REGISTERED NUMBER:

02764771

England and Wales

BOX 2 LIMITED  
ANNUAL REPORT AND ACCOUNTS  
30 NOVEMBER 1997

Baxter Smith and Company  
Accountants



BOX 2 LIMITED

DIRECTOR: Mrs N Hamilton

SECRETARY: Mrs J Felix

REGISTERED OFFICE: 20/22 Marlborough Place  
BRIGHTON  
EAST SUSSEX  
BN1 1UB

REGISTERED NUMBER: 02764771  
England and Wales

BANKERS: Midland Bank plc  
153 North Street  
BRIGHTON  
EAST SUSSEX  
BN1 1SW

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ANNUAL REPORT AND ACCOUNTS - 31 NOVEMBER 1997

Pages	1.	Report of the Directors
		Accounts, comprising:
	2.	Profit and Loss Account
	3.	Balance Sheet
	4.	Notes to Accounts

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The following page does not form part of the Statutory Accounts

5.	Trading and Profit and Loss Account
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REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 NOVEMBER 1997

The Directors' present their annual report with the accounts of the company for the year ended 30 November 1997.

**PRINCIPAL ACTIVITY**

The Principal activity of the company in the year under review was that of a retail shop.

**DIRECTORS**

The Director in office in the year and her beneficial interest in the company's issued ordinary share capital were as follows:-

	1997	1996
Mrs N Hamilton	1	1

**DIRECTORS' RESPONSIBILITIES**

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

- a. Select suitable accounting policies and then apply them consistently.
- b. Make judgements and estimates that are reasonable and prudent.
- c. Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts.
- d. Prepare the accounts 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 accounts 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.

**POLITICAL AND CHARITABLE DONATIONS**

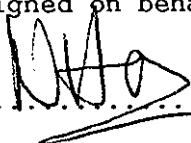
No political or charitable donations were made during the year.

REPORT OF THE DIRECTORS

(continued)

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

Signed on behalf of the board of directors.

  
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Mrs N Hamilton  
Director

Approved by the board: 11 March 1998

PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 30 NOVEMBER 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
TURNOVER	2	71,405	72,175
Cost of sales		41,369	47,358
GROSS PROFIT		30,036	24,817
Administration expenses		31,314	33,660
		(1,278)	(8,843)
OPERATING PROFIT/(LOSS)			
Interest payable		(840)	(1,601)
Rents receivable		-	5,000
PROFIT/(LOSS) on ordinary activities before taxation		(2,118)	(5,444)
TAXATION		-	-
PROFIT/(LOSS) for the financial year after taxation		(2,118)	(5,444)
DIVIDENDS paid or proposed		-	-
RETAINED (LOSS) for the financial year		(2,118)	(5,444)
RETAINED (LOSS) at 1 December 1996		(36,602)	(31,158)
RETAINED (LOSS) at 30 November 1997		<u>£(38,720)</u>	<u>£(36,602)</u>

## CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

## TOTAL RECOGNISED GAINS AND LOSSES

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

The Notes on Pages 4 to 4c form part of these Accounts

## BOX 2 LIMITED

Page 3

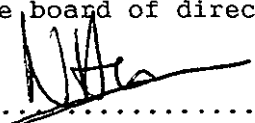
BALANCE SHEETAS AT 30 NOVEMBER 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
<b>FIXED ASSETS</b>			
Tangible assets	4	1,483	1,854
<b>CURRENT ASSETS</b>			
Stocks		11,394	7,870
Debtors	6	2,196	648
Cash at bank and in hand		414	1,145
		14,004	9,663
<b>CREDITORS: amounts falling due within one year</b>		43,475	36,325
<b>NET CURRENT ASSETS</b>		29,471	(26,662)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(27,988)	(24,808)
<b>CREDITORS: amounts falling due after more than one year</b>	8	(10,730)	(11,792)
<b>NET ASSETS/(LIABILITIES)</b>		<u>£(38,718)</u>	<u>£(36,600)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2	2
Profit and loss account		(38,720)	(36,602)
<b>SHAREHOLDERS' FUNDS</b>	10	<u>£(38,718)</u>	<u>£(36,600)</u>

For the financial year ended 30 November 1997 the company was entitled to exemption from audit under section 249A(1) Companies Act 1985 and no notice has been deposited under section 249B(2). The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 and preparing accounts which give a true and fair view of the state of affairs of the company as at the year end and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the Company.

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

Signed on behalf of  
the board of directors

  
.....

Mrs N Hamilton  
Director

Approved by the board: 11 March 1998

The Notes on Pages 4 to 4c form part of these Accounts

NOTES TO THE ACCOUNTS - 30 NOVEMBER 1997

## 1. ACCOUNTING POLICIES

**Basis of accounting**

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

**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 net invoiced sales of goods, excluding VAT.

**Tangible fixed assets**

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures, Fittings & Equipment - 20% on Written Down Value

**Stocks**

Stocks and work-in-progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences 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.

**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 account in arriving at the operating profit.

## 2. TURNOVER

Turnover attributable to geographical markets outside the United Kingdom amounted to NIL.

## 3. OPERATING PROFIT (LOSS)

The operating profit/(loss) is stated after charging:

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Depreciation of tangible fixed assets	371	464

NOTES TO THE ACCOUNTS - 30 NOVEMBER 1997(continued)

## 4. TANGIBLE FIXED ASSETS

	<u>Fixtures Fittings &amp; Equipment</u>	<u>TOTAL</u>
	<u>£</u>	<u>£</u>
Cost		
At 1 December 1996	4,007	4,007
Additions	-	-
Disposals	-	-
At 30 November 1997	<u>4,007</u>	<u>4,007</u>
Depreciation		
At 1 Decemebr 1996	2,153	2,153
On disposals	-	-
Charge for year	371	371
At 30 November 1997	<u>2,524</u>	<u>2,524</u>
Net book values		
At 30 November 1997	<u>£1,483</u>	<u>£1,483</u>
At 30 November 1996	<u>£1,854</u>	<u>£1,854</u>

## 5. STOCKS

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Stocks	<u>£11,394</u>	<u>£7,850</u>

## 6. DEBTORS

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Trade debtors	-	-
Others	2,196	648
	<u>£2,196</u>	<u>£648</u>

Other debtors include an amount of NIL (1995 - £NIL) falling due after more than one year.



NOTES TO THE ACCOUNTS - 30 NOVEMBER 1997(continued)

## 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Bank loans and overdrafts (secured)	6,337	4,906
Trade creditors	9,572	6,844
Other creditors	27,566	24,575
	<u>£43,475</u>	<u>£36,325</u>

## 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Bank loans and overdrafts	<u>£10,730</u>	<u>£11,792</u>
Bank loan (secured)		
- repayable within five years	<u>£ 7,500</u>	<u>£ 7,500</u>
- repayable after five years	<u>£ 3,230</u>	<u>£ 4,292</u>

The bank loan, the aggregate total of which amounts to £11,730, is repayable in annual instalments commencing July 1994.

## 9. CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Authorised		
100 ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>£2</u>	<u>£2</u>

NOTES TO THE ACCOUNTS - 30 NOVEMBER 1997(continued)

## 10. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Profit (loss) for the financial year after taxation	(2,118)	(5,444)
Dividends	-	-
Opening shareholders' funds at 1 December 1996	(2,118)	(5,444)
Closing shareholders' funds at 30 November 1997	(36,600)	(31,156)
	<u>£(38,718)</u>	<u>£(36,600)</u>