

Homestyle Nationwide Limited

Report and Financial Statements

Year Ended

28 February 1998



BDO Stoy Hayward
Chartered Accountants



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Homestyle Nationwide Limited

Annual report and financial statements for the year ended 28 February 1998

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Directors

Michael Lowe
Michelle Carvell

Secretary and registered office

M Carvell, Northside House, 69 Tweedy Road, Bromley, Kent BR1 3WA

Registered number

02880109

Accountants

BDO Stoy Hayward, Northside House, 69 Tweedy Road, Bromley, Kent BR1 3WA

Homestyle Nationwide Limited

Report of the directors for the year ended 28 February 1998

The directors present their report together with the financial statements for the year ended 28 February 1998.

Results and dividends

The profit and loss account is set out on page 3 and shows the result for the year.

The directors do not recommend the payment of a dividend.

Principal activities, trading review and future developments

The company sells various household products by catalogue. Although turnover rose as expected, the company was unable to achieve a gross profit percentage in line with 1997 (1998 - 42%, 1997 - 40%). This was partly due to the withdrawal from credit sales which has been restarted in the recent year and the directors are therefore confident that this will be rectified in the near future.

Directors

The directors of the company during the year and their interests in the ordinary share capital of the company were:

	Ordinary £1 shares	
	28 February 1998	28 February 1998
Michael Lowe	90	90
Michelle Carvell	10	10

By order of the board

M Carvell

Secretary

mcarvell

Date


23/12/98

Homestyle Nationwide Limited

Accountants' report

Accountants' report on the unaudited accounts to the directors of Homestyle Nationwide Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 28 February 1998, set out on pages 3 to 10, and you consider that the company is exempt from an audit and a report under S.249A(2) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.


BDO STOY HAYWARD
Chartered Accountants

Date *23 December 1998*

Homestyle Nationwide Limited

Profit and loss account for the year ended 28 February 1998

	Note	Year ended 28 February 1998 £	Period ended 28 February 1997 £
Turnover	2	79,023	69,886
Cost of sales		47,439	40,775
		<hr/>	<hr/>
		31,584	29,111
Administrative expenses		32,850	44,098
		<hr/>	<hr/>
Operating loss	5	(1,266)	(14,987)
Interest receivable	6	355	10,063
Interest payable and similar charges	7	(2,883)	(2,802)
		<hr/>	<hr/>
Loss on ordinary activities before and after taxation retained for the year		(3,794)	(7,726)
Accumulated loss brought forward		(14,497)	(6,771)
		<hr/>	<hr/>
Accumulated loss carried forward		(18,291)	(14,497)
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

There are no movements on shareholders' funds apart from the profit for the year/period.

The notes on pages 6 to 10 form part of these financial statements.

Homestyle Nationwide Limited

Balance sheet at 28 February 1998

	Note	28 February 1998		28 February 1997	
		£	£	£	£
Fixed assets					
Tangible assets	8		1,228		7,125
Current assets					
Stocks	9	6,460		8,279	
Debtors	10	8,356		17,939	
Cash at bank and in hand		314		558	
		<u>15,130</u>		<u>26,776</u>	
Creditors: amounts falling due within one year	11	20,793		26,934	
		<u></u>		<u></u>	
Net current liabilities			(5,663)		(158)
Total assets less current liabilities			<u>(4,435)</u>		<u>6,967</u>
Creditors: amounts falling due after more than one year	12		13,756		21,364
			<u></u>		<u></u>
Net liabilities			<u>(18,191)</u>		<u>(14,397)</u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account			(18,291)		(14,497)
			<u></u>		<u></u>
Shareholders' funds			<u>(18,191)</u>		<u>(14,397)</u>

All amounts relate to equity interests.

The directors have taken advantage of the exemption conferred by S.249A(1) not to have these financial statements audited and confirm that no notice has been deposited under S.249B(2) of the Companies Act 1985.

The notes on pages 6 to 10 form part of these financial statements.

Homestyle Nationwide Limited

Balance sheet at 28 February 1998 (*continued*)

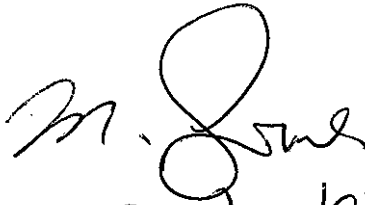
The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with S.221 of the Companies Act 1985; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at 28 February 1998 and of its loss for the year then ended in accordance with the requirement of S.226 and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board on Date

M Lowe

Director


23/12/98

The notes on pages 6 to 10 form part of these financial statements.

Homestyle Nationwide Limited

Notes forming part of the financial statements for the year ended 28 February 1998

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, except freehold land and some freehold buildings, evenly over their expected useful lives. It is calculated at the following rates:

Motor Vehicle	-	25%
Computer Equipment	-	25%

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Employees

Staff costs (including directors) consist of:

	Year ended 28 February 1998 £	Period ended 28 February 1997 £
Wages and salaries	8,656	10,399
Social security costs	689	786
	<hr/>	<hr/>
	9,345	11,185
	<hr/>	<hr/>

Homestyle Nationwide Limited

Notes forming part of the financial statements for the year ended 28 February 1998 (*Continued*)

4 Directors' emoluments

	1998 £	1997 £
Directors' emoluments consist of:		
Emoluments for services as directors	7,800	8,450

5 Operating loss

This is arrived at after charging/(crediting):

	£	£
Depreciation of tangible fixed assets	1,209	4,334
Profit on disposal of motor vehicle	(312)	-

6 Interest receivable

	£	£
Bank interest receivable	-	12
Finance agreements	355	10,051
	355	10,063

7 Interest payable and similar charges

	£	£
On bank loans and overdrafts	1,758	1,583
On hire purchase contracts	1,125	1,219
	2,883	2,802

Homestyle Nationwide Limited

Notes forming part of the financial statements for the year ended 28 February 1998 (*Continued*)

8 Tangible assets

	Motor Vehicles £	Office Equipment £	Total £
<i>Cost</i>			
At 1 March 1997	12,500	4,834	17,334
Disposals	(12,500)	-	(12,500)
At 28 February 1998	-	4,834	4,834
<i>Depreciation</i>			
At 1 March 1997	7,812	2,397	10,209
Provided for the year	-	1,209	1,209
Disposals	(7,812)	-	(7,812)
At 28 February 1998	-	3,606	3,606
<i>Net Book Value</i>			
At 28 February 1998	-	1,228	1,228
At 28 February 1997	4,688	2,437	7,125

9 Stocks

	Year ended 28 February 1998	Period ended 28 February 1997
Goods for resale	6,460	8,279

Homestyle Nationwide Limited

Notes forming part of the financial statements for the year ended 28 February 1998 (Continued)

10 Debtors

	Year ended 28 February 1998 £	Period ended 28 February 1997 £
Trade debtors	8,056	17,003
Other debtors	300	936
	<u>8,356</u>	<u>17,939</u>

All amounts shown under debtors fall due for payment within one year.

11 Creditors: amounts falling due within one year

	£	£
Bank loans and overdrafts	14,441	19,875
Trade creditors	722	-
Taxation and social security	798	669
Other creditors	861	4,065
Directors loan account	1,240	204
Accruals and deferred income	2,731	2,121
	<u>20,793</u>	<u>26,934</u>

12 Creditors: amounts falling due after more than one year

	£	£
Loans (2-5 years)	13,756	21,364

13 Called up share capital

	Authorised		Allotted, called up and fully paid	
	28 February 1998	28 February 1997	28 February 1998	28 February 1997
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Homestyle Nationwide Limited

Notes forming part of the financial statements for the year ended 28 February 1998 (*Continued*)

14 Going concern

At 28 February 1998 the company's current liabilities exceeded current assets by £4,435 and bank loans repayable within two to five years totaled £13,756. The company's ability to continue trading is dependant on the continued support of its bank and the directors.