

ALLERTON TILING LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1996



AUDITORS' REPORT TO THE DIRECTORS' OF ALLERTON TILING LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 6 together with the full accounts of Allerton Tiling Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1996.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out procedures we considered necessary to confirm, by reference to the audited accounts, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those accounts. The scope of our work for the purposes of this report does not include examining or dealing with events after the date of our report on the full accounts.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of that Act, in respect of the year ended 31st December 1996, and the abbreviated accounts have been properly prepared in accordance with the Schedule.

AUDITORS' REPORT TO THE DIRECTORS' OF ALLERTON TILING LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

Other Information

On 30 May 1997 we reported, as auditors of Allerton Tiling Limited, to the members on the accounts prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1996, and our report was as follows:

We have audited the accounts on pages 4 to 12, which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

Respective Responsibilities of the Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and report our opinion to you.

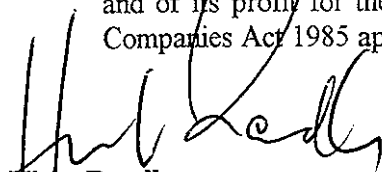
Basis of Opinion

We conducted our audit in accordance with Auditing Standard 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 information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 preparation of the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of Companies Act 1985 applicable to small companies.



Hicks Randles
Chartered Accountants
and Registered Auditors
Alliance House
1 High Street
Mold
Flintshire
CH7 1AZ

Date: 23 February 1998

ALLERTON TILING LIMITED**ABBREVIATED BALANCE SHEET****AS AT 31ST DECEMBER 1996**

	Notes	1996		1995	
		£	£	£	£
Fixed Assets	2				
Tangible Fixed Assets			202,726		163,083
Current Assets					
Stock and work in progress		380,539		224,198	
Debtors and prepayments		398,058		299,397	
Cash at bank and in hand		5,312		10,143	
		<u>783,909</u>		<u>533,738</u>	
Creditors: Amounts Falling Due Within One Year					
Other amounts		<u>(749,586)</u>		<u>(462,165)</u>	
Net Current Assets			<u>34,323</u>		<u>71,573</u>
Total Assets Less Current Liabilities			<u>237,049</u>		<u>234,656</u>
Creditors: Amounts Falling Due After More Than One Year					
Other amounts			<u>(82,866)</u>		<u>(81,598)</u>
			<u>154,183</u>		<u>153,058</u>
Capital and Reserves					
Share capital - equity	4		6,732		6,732
Revaluation reserve			9,459		9,459
Profit and loss account			<u>137,992</u>		<u>136,867</u>
Shareholders' Funds			<u>154,183</u>		<u>153,058</u>

In preparing these abbreviated accounts the directors have taken advantage of the exemptions conferred by Schedule 8 Part III A of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company qualifies as a small company and is entitled to make use of the exemptions.

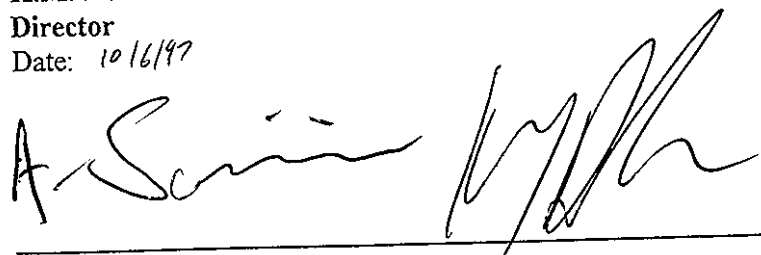
These accounts were approved by the board on 10th June 1997

and signed on its behalf.

K.M. Dobie

Director

Date: 10/6/97



ALLERTON TILING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land over their expected useful lives. The rates and periods generally applicable are:

Freehold properties	Depreciated but rate calculated to be negligible.
Plant and machinery	25% reducing balance.
Motor vehicles	25% reducing balance.
Fixtures and fittings	20% reducing balance or 33% straight line for computers and other shorter life assets.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

Contribution to Pension Funds

Defined Contribution Scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

ALLERTON TILING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

2 Fixed Assets

	Tangible Fixed Assets
	£
Cost	
At 1st January 1996	235,162
Additions	99,868
Disposals	(44,961)
Revaluations	-
At 31st December 1996	290,069
Depreciation and Amortisation	
At 1st January 1996	72,079
Charge for the year	36,517
On disposals	(21,253)
On revaluation	-
At 31st December 1996	87,343
Net Book Value	
At 31st December 1996	202,726
At 31st December 1995	163,083

3 Secured Creditors

£153,967 (1995 £134,415) is secured by fixed and floating charges over all the assets of the company.

Amounts payable by instalments partly in more than five years are £37,982 (1995 £41,955)

ALLERTON TILING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

4	Share Capital	1996 £	1995 £
	Authorised Equity Shares		
	Ordinary shares of £1.00 each	<u>100,000</u>	<u>100,000</u>
	Issued Equity Shares		
	Issued and fully paid ordinary shares of £1.00 each	<u>6,732</u>	<u>6,732</u>

5 Ultimate Parent Undertaking

The company's immediate and ultimate parent undertaking at the balance sheet date was Highvogue Limited, a company incorporated in England and Wales.