

1322580

REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1998
FOR
G J VAGG (FLOORING) LIMITED



G J VAGG (FLOORING) LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1998

	Page
Company Information	1
Report of the Director	2
Report of the Auditors	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Financial Statements	6
Trading and Profit and Loss Account	9

G J VAGG (FLOORING) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 1998

DIRECTOR: G J Vagg

SECRETARY: Mrs A V Vagg

REGISTERED OFFICE: 7 Limbrick Corner
Limbrick Lane
Goring-By-Sea
Worthing
West Sussex
BN12 6JL

REGISTERED NUMBER: 1322580 (England and Wales)

AUDITORS: Butler & Co.
Chartered Accountants
Registered Auditor
Bassett House
5 Southwell Park Road
Camberley
Surrey, GU15 3PU

G J VAGG (FLOORING) LIMITED

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 AUGUST 1998

The director presents his report with the financial statements of the company for the year ended 31 August 1998.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of flooring contractors and the Company also operates a retail shop. The Director regards these activities as a single class of business.

DIRECTOR

G J Vagg was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	31.8.98	1.9.97
Ordinary £1 shares	4,051	4,051

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements 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 financial statements, the director is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

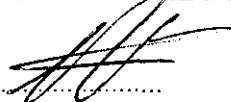
The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Butler & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

ON BEHALF OF THE BOARD:


.....
G J Vagg - DIRECTOR

Dated:

G J VAGG (FLOORING) LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
G J VAGG (FLOORING) LIMITED

We have audited the financial statements on pages four to eight which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of director and auditors

As described on page two the company's director is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 director 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 information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Butler & Co.
Chartered Accountants
Registered Auditor
Bassett House
5 Southwell Park Road
Camberley
Surrey, GU15 3PU



Dated: 28.4.99.

G J VAGG (FLOORING) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 1998

		1998	1997
	Notes	£	£
TURNOVER		846,352	761,696
Cost of sales		529,363	450,652
GROSS PROFIT		316,989	311,044
Administrative expenses		314,265	285,532
OPERATING PROFIT	2	2,724	25,512
Interest receivable and similar income		285	-
		3,009	25,512
Interest payable and similar charges		8,047	5,764
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(5,038)	19,748
Tax on (loss)/profit on ordinary activities	3	7,000	5,110
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(12,038)	14,638
Retained profit brought forward		111,024	96,386
RETAINED PROFIT CARRIED FORWARD		£98,986	£111,024

The notes form part of these financial statements

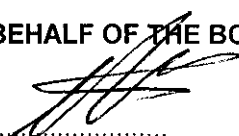
G J VAGG (FLOORING) LIMITED

BALANCE SHEET
31 AUGUST 1998

	Notes	1998		1997	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	4		76,951		26,250
CURRENT ASSETS:					
Stocks		109,177		56,271	
Debtors	5	118,396		174,997	
Cash at bank and in hand		9,641		26,646	
		237,214		257,914	
CREDITORS: Amounts falling due within one year	6	175,523		169,040	
NET CURRENT ASSETS:			61,691		88,874
TOTAL ASSETS LESS CURRENT LIABILITIES:			138,642		115,124
CREDITORS: Amounts falling due after more than one year	7		35,556		-
			£103,086		£115,124
CAPITAL AND RESERVES:					
Called up share capital	8		4,100		4,100
Profit and loss account			98,986		111,024
Shareholders' funds			£103,086		£115,124

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:


.....
G J Vagg - DIRECTOR

Approved by the Board on

The notes form part of these financial statements

G J VAGG (FLOORING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1998

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stock 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 director, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. OPERATING PROFIT

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

	1998	1997
	£	£
Depreciation - owned assets	6,437	23,260
Loss/(Profit) on disposal of fixed assets	502	(333)
Auditors' remuneration	1,000	850
Pension costs	3,621	3,617
	<u>23,000</u>	<u>21,667</u>
Director's emoluments	<u>23,000</u>	<u>21,667</u>

3. TAXATION

The tax charge on the loss on ordinary activities for the year was as follows:

	1998	1997
	£	£
UK corporation tax	(782)	5,110
Tax underprovided - prior year	7,782	-
	<u>7,000</u>	<u>5,110</u>

UK corporation tax has been charged at 0% (1997 - 21%).

G J VAGG (FLOORING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1998**

4. TANGIBLE FIXED ASSETS

	Freehold property	Short term leasehold property	Plant and equipment	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 September 1997	-	502	10,175	35,834	46,511
Additions	57,640	-	-	-	57,640
Disposals	-	(502)	-	-	(502)
At 31 August 1998	57,640	-	10,175	35,834	103,649
DEPRECIATION:					
At 1 September 1997	-	-	8,931	11,330	20,261
Charge for year	-	-	311	6,126	6,437
At 31 August 1998	-	-	9,242	17,456	26,698
NET BOOK VALUE:					
At 31 August 1998	57,640	-	933	18,378	76,951
At 31 August 1997	-	502	1,244	24,504	26,250

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1998 £	1997 £
Trade debtors	116,655	173,454
Prepayments	1,741	1,543
	<u>118,396</u>	<u>174,997</u>

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1998 £	1997 £
Bank loans and overdrafts	53,089	46,056
Hire purchase contracts	5,399	-
Trade creditors	53,806	43,291
Directors current accounts	7,731	9,531
Hire purchase	-	17,983
V.A.T.	11,705	20,231
Social security & other taxes	19,474	16,346
Taxation	19,576	12,575
Accrued expenses	4,743	3,027
	<u>175,523</u>	<u>169,040</u>

In the accounts for 1997 the Bank Loans and Overdraft the overdraft balance was off-set by the Bank Deposit Account of £26433.95. However, under the Companies Act 1985 Sch 4 para 5 assets and liabilities may not be set against one another. Therefore in order to comply with the Companies Act the comparative figures for the Bank Loans and Overdraft have being altered by transferring £26433.95 to Cash at Bank.

G J VAGG (FLOORING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1998

7. **CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	1998 £	1997 £
Bank loans	29,683	-
Hire purchase contracts	5,873	-
	<u>35,556</u>	<u>-</u>

8. **CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	1998 £	1997 £
15,000	Ordinary	£1	<u>15,000</u>	<u>15,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	1998 £	1997 £
4,100	Ordinary	£1	<u>4,100</u>	<u>4,100</u>