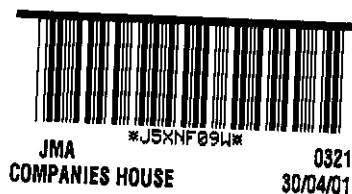


**M.ADAMS (FLOORCOVERINGS) LTD.
ABBREVIATED FINANCIAL STATEMENTS
FOR
30 JUNE 2000**



ALLEN MILLS HOWARD & CO.
Chartered Certified Accountants & Registered Auditors
Library Chambers
48 Union Street
Hyde
Cheshire
SK 14 1ND

M.ADAMS (FLOORCOVERINGS) LTD.
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2000

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M.ADAMS (FLOORCOVERINGS) LTD.

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 5, together with the financial statements of the company for the year ended 30 June 2000 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

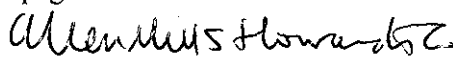
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 27 April 2001 we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 June 2000, and the full text of our audit report is reproduced on page 2 of these financial statements.

Library Chambers
48 Union Street
Hyde
Cheshire
SK 14 1ND

27 April 2001


ALLEN MILLS HOWARD & CO.
Chartered Certified Accountants
& Registered Auditors

M.ADAMS (FLOORCOVERINGS) LTD.**AUDITORS' REPORT TO THE SHAREHOLDERS****YEAR ENDED 30 JUNE 2000**

We have audited the financial statements on pages 4 to 8 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 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 1, the company's directors are responsible for the preparation of the 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 directors 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.

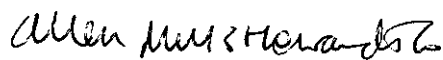
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 30 June 2000 and of the loss of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

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Cheshire
SK 14 1ND

27 April 2001

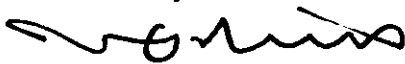

ALLEN MILLS HOWARD & CO.
Chartered Certified Accountants
& Registered Auditors

M.ADAMS (FLOORCOVERINGS) LTD.**ABBREVIATED BALANCE SHEET****30 JUNE 2000**

	Note	2000	1999
		£	£
FIXED ASSETS	2		
Tangible assets		18,200	22,861
CURRENT ASSETS			
Stocks		16,515	21,187
Debtors		140,494	68,138
Cash at bank and in hand		7,334	35,493
		<u>164,343</u>	<u>124,818</u>
CREDITORS: Amounts falling			
Due within one year		<u>(137,618)</u>	<u>(92,387)</u>
NET CURRENT ASSETS		<u>26,725</u>	<u>32,431</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>44,925</u>	<u>55,292</u>
CAPITAL AND RESERVES			
Called-up equity share capital	3	2,000	2,000
Profit and Loss Account		<u>42,925</u>	<u>53,292</u>
SHAREHOLDERS' FUNDS		<u>44,925</u>	<u>55,292</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 27 April 2001 and are signed on their behalf by:


M ADAMS

M.ADAMS (FLOORCOVERINGS) LTD.
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2000

1. ACCOUNTING POLICIES

Basis of accounting

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

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Equipment	- 15% Reducing basis
Fixtures & Fittings	- 15% Reducing basis
Motor Vehicles	- 25% Reducing basis

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1 July 1999	56,750
Additions	347
At 30 June 2000	<u>57,097</u>
DEPRECIATION	
At 1 July 1999	33,889
Charge for year	5,008
At 30 June 2000	<u>38,897</u>
NET BOOK VALUE	
At 30 June 2000	<u>18,200</u>
At 30 June 1999	<u>22,861</u>

M.ADAMS (FLOORCOVERINGS) LTD.
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2000

3. SHARE CAPITAL

Authorised share capital:

	2000	1999
	£	£
5,000 Ordinary shares of £1.00 each	<u>5,000</u>	<u>5,000</u>

Allotted, called up and fully paid:

	2000	1999
	£	£
Ordinary share capital	<u>2,000</u>	<u>2,000</u>