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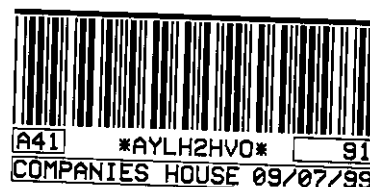
Company Registration No.2360310

**PARAMOUNT OFFICE INTERIORS
LIMITED**

Abbreviated Accounts

31 December 1998

**Deloitte & Touche
Blenheim House
Fitzalan Court
Newport Road
Cardiff
CF2 1TS**





REPORT AND FINANCIAL STATEMENTS 1998

CONTENTS	Page
Auditors' report	1
Balance sheet	2
Notes to the accounts	3



AUDITORS' REPORT TO PARAMOUNT OFFICE INTERIORS LIMITED PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the financial statements of Paramount Office Interiors Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with sections 246(5) and (6) of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with those sections and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

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

Opinion

In our opinion the company is entitled under sections 247 and 247A of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, in respect of the year ended 31 December 1998 and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with those provisions.

Deloitte & Touche

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Chartered Accountants and Registered Auditors

7 July 1999.



BALANCE SHEET

31 December 1998

	Note	1998 £	1997 £
FIXED ASSETS			
Tangible assets	2	226,676	258,273
CURRENT ASSETS			
Stocks and work in progress		19,834	64,576
Debtors		589,418	665,101
Cash at bank and in hand		131,686	281,515
		<u>740,938</u>	<u>1,011,192</u>
CREDITORS: amounts falling due within one year	3	572,399	890,155
NET CURRENT ASSETS		<u>168,539</u>	<u>121,037</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		395,215	379,310
CREDITORS: amounts falling due after more than one year	4	(138,500)	(160,324)
		<u>256,715</u>	<u>218,986</u>
CAPITAL AND RESERVES			
Called up share capital	5	1,200	1,200
Profit and loss account		255,515	217,786
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>256,715</u>	<u>218,986</u>

Advantage is taken of the exemptions conferred by Section A of Part III of Schedule 8 of the Companies Act 1985 with respect to the delivery of individual accounts. In the opinion of the directors, the company is entitled to those exemptions on the grounds that it has met the qualifications for a small company specified in Sections 246 and 247.

Signed on behalf of the Board of Directors

N C Guard FCCA

Director

7. 7. 99

**TRADING PROFIT AND LOSS ACCOUNT**
Year ended 31 December 1998**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Motor vehicles	20% per annum
Fixtures, fittings, and office equipment	20% per annum
Freehold land and buildings	2% per annum
Leasehold improvements	Over term

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost represents suppliers' invoice price.

Deferred taxation

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

Leases

Assets held under hire purchase and finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the leases. The amounts by which the lease payments exceed the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation.

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases.

Pension costs

The pension costs represent the amount of contributions payable in respect of the accounting period.


TRADING PROFIT AND LOSS ACCOUNT
Year ended 31 December 1998
2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 1998	367,475
Additions in year	7,494
Disposals in year	(26,745)
At 31 December 1998	348,224
Accumulated depreciation	
At 1 January 1999	109,202
Charge for the year	39,091
Disposals in year	(26,745)
At 31 December 1998	121,548
Net book value	
At 31 December 1998	<u>226,676</u>

3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998 £	1997 £
Creditors, amounts falling due within one year includes:		
Bank loans and overdraft	32,868	33,346
Obligations due under finance leases and HP contracts	4,020	16,300

4. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1998 £	1997 £
Creditors, amounts falling due after more than one year include:		
Bank loan	15,000	26,068
Obligations due under finance leases and HP contracts	3,500	7,800
Amounts payable wholly or partly after five years:		
Mortgage loan	<u>94,652</u>	<u>101,740</u>

The bank overdraft and loan are secured by a fixed and floating charge on the assets of the company. Interest is charged on the loan at 2.5% above the prevailing bank base rate.

The mortgage loan is secured by a first charge over the freehold property. Interest is charged on the loan at 3% above the prevailing bank base rate.

Obligations under finance leases and hire purchase contracts are secured upon the assets to which they relate.



TRADING PROFIT AND LOSS ACCOUNT
Year ended 31 December 1998

5. CALLED UP SHARE CAPITAL

	1998 £	1997 £
Authorised:		
2,000 ordinary shares of £1.00 each	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
Called up, allotted and fully paid		
1,200 ordinary shares of £1.00 each	1,200	1,200
	<u>1,200</u>	<u>1,200</u>

6. ULTIMATE PARENT COMPANY

The company is ultimately under the control of the two directors and their respective wives, between them they hold 100% of the company's issued share capital.