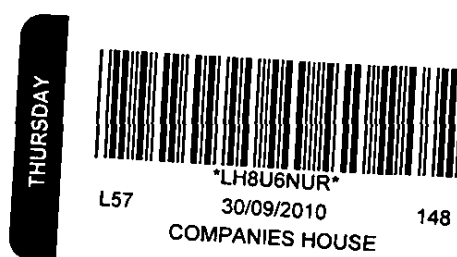


# **Paramount Office Interiors Limited**

## **Report and financial statements for the year ended 31 December 2009**

**Registered Number: 2369310**



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# **Paramount Office Interiors Limited**

## **Report and financial statements for the year ended 31 December 2009**

| <b>Contents</b>                                                                   | <b>Page</b> |
|-----------------------------------------------------------------------------------|-------------|
| Officers and professional advisers                                                | 1           |
| Report of the director                                                            | 2           |
| Independent auditors' report to the members of Paramount Office Interiors Limited | 4           |
| Profit and loss account                                                           | 5           |
| Balance sheet                                                                     | 6           |
| Notes to the financial statements                                                 | 7           |

# **Paramount Office Interiors Limited**

## **Officers and professional advisers**

### **Director**

N B Roberts BA (Managing Director)

### **Secretary**

T S D Jones (appointed 10/06/09)

T A Lowe (resigned 09/06/09)

### **Registered office**

Paramount House  
Paramount Business Park  
Pascal Close  
St Mellons  
Cardiff  
CF3 0LW

### **Bankers**

Barclays Bank plc  
3<sup>rd</sup> Floor  
Windsor Court  
3 Windsor Place  
Cardiff  
CF10 3WP

### **Independent Auditors**

PricewaterhouseCoopers LLP  
One Kingsway  
Cardiff  
CF10 3PW

# **Paramount Office Interiors Limited**

## **Report of the director for the year ended 31 December 2009**

The director presents his annual report and the audited financial statements for the year ended 31 December 2009

### **Business review and principal activities**

The company's principal activities are office design, space planning, office fit-out, project management and supply of office furniture

There have been no significant changes in the company's principal activities in the year under review. The director is not aware, at the date of this report, of any likely changes in the company's activities in the forthcoming year.

The profit and loss account for the year is set-out on page 5.

The results for the year show a pre-tax loss of £252k (2008: loss of £465k) and sales of £7,958k (2008: £9,703k).

The 'credit crunch', which is on-going in the UK, led to challenging trading conditions during FY'09 and an overall reduction in activity levels reflective of a reduction in consumer spending. Whilst trading conditions are expected to remain challenging throughout FY'10, the director considers the company to be well positioned to take advantage of any new opportunities that may arise.

### **Principal risks and uncertainties**

The company operates in a market which can be influenced by activity in the construction and commercial property sectors. As a result, macroeconomic fluctuations may affect future levels of activity.

The company experiences credit risk with respect to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The diverse customer base means that there is no significant concentration of credit risk, with exposure spread over a large number of customers.

### **Key Performance Indicators**

Given the straightforward nature of the business, the director is of the opinion that the financial statements include the features that he considers to be their key performance indicators.

### **Results and dividends**

The retained loss for the year has been transferred to reserves. No dividend (2008: Nil) has been proposed in respect of the year.

### **Directors**

The director of the company, who served throughout the year, is as shown on page 1.

### **Charitable donations**

Charitable donations amounting to £4,099 (2008: £4,710) were made during the year.

# **Paramount Office Interiors Limited**

## **Report of the director for the year ended 31 December 2009 (continued)**

### **Statement of Director Responsibilities**

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary

The director confirms that he has complied with the above requirements in preparing the financial statements

The directors is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. 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.

### **Disclosure of information to auditors**

The director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

So far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware.

### **Auditors**

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the Annual General Meeting.



**N B Roberts BA**  
Director

# Independent auditors' report to the members of Paramount Office Interiors Limited

We have audited the financial statements of Paramount Office Interiors Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

## Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

## Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Jason Clarke (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cardiff

24 September 2010

# Paramount Office Interiors Limited

## Profit and loss account for the year ended 31 December 2009

Registered Number: 2369310

|                                                    | Note | 2009<br>£000 | 2008<br>£000 |
|----------------------------------------------------|------|--------------|--------------|
| <b>Turnover</b>                                    | 2    | <b>7,958</b> | 9,703        |
| Cost of sales                                      |      | (6,372)      | (7,687)      |
| <b>Gross profit</b>                                |      | <b>1,586</b> | 2,016        |
| Distribution costs                                 |      | (14)         | (18)         |
| Administrative expenses                            |      | (1,825)      | (2,474)      |
| <b>Operating loss</b>                              | 4    | <b>(253)</b> | (476)        |
| Loss on disposal of fixed assets                   |      | -            | (17)         |
| Interest receivable and similar income             |      | 3            | 39           |
| Interest payable and similar charges               | 5    | (2)          | (11)         |
| <b>Loss on ordinary activities before taxation</b> |      | <b>(252)</b> | (465)        |
| Tax on loss on ordinary activities                 | 6    | 29           | 94           |
| <b>Loss for the financial year</b>                 | 15   | <b>(223)</b> | (371)        |

All activities derive from continuing operations

There have been no recognised gains and losses for the current or the prior financial year other than as stated in the profit and loss account and, accordingly, no separate statement of total recognised gains and losses is presented

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above, and their historical cost equivalents

# Paramount Office Interiors Limited

## Balance sheet As at 31 December 2009

|                                                                | Note | 2009<br>£000   | 2008<br>£000 |
|----------------------------------------------------------------|------|----------------|--------------|
| <b>Fixed assets</b>                                            |      |                |              |
| Tangible assets                                                | 7    | 397            | 500          |
|                                                                |      | <b>397</b>     | 500          |
| <b>Current assets</b>                                          |      |                |              |
| Stock                                                          | 8    | 18             | 257          |
| Debtors                                                        | 9    | 1,654          | 1,470        |
| Cash at bank and in hand                                       |      | 1              | 1            |
|                                                                |      | <b>1,673</b>   | 1,728        |
| <b>Creditors: amounts falling due within one year</b>          | 10   | <b>(1,755)</b> | (1,628)      |
| <b>Net current (liabilities) / assets</b>                      |      | <b>(82)</b>    | 100          |
| <b>Total assets less current liabilities</b>                   |      | <b>315</b>     | 600          |
| <b>Creditors: amounts falling due after more than one year</b> | 11   | -              | (23)         |
| <b>Provisions for liabilities and charges</b>                  | 13   | <b>(22)</b>    | (61)         |
| <b>Net assets</b>                                              |      | <b>293</b>     | 516          |
| <b>Capital and reserves</b>                                    |      |                |              |
| Called up share capital                                        | 14   | 25             | 25           |
| Capital redemption reserve                                     | 15   | 25             | 25           |
| Profit and loss account                                        | 15   | 243            | 466          |
| <b>Total shareholder's funds</b>                               | 15   | <b>293</b>     | 516          |

The financial statements on pages 5 to 13 were approved by the board of directors on 24 September 2010 and were signed on its behalf by



**N B Roberts BA**  
Director

# Paramount Office Interiors Limited

## Notes to the financial statements for the year ended 31 December 2009

### 1. Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards

The company qualifies as a small company under the provisions of the Companies Act 2006. It is therefore exempt from the requirement to publish a cash flow statement

The principal accounting standards are set out below

#### **Tangible fixed assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are

|                                         |   |                              |
|-----------------------------------------|---|------------------------------|
| Freehold land and buildings             | - | 2% per annum                 |
| Leasehold improvements                  | - | Over the period of the lease |
| Fixtures, fittings and office equipment | - | 20% per annum                |
| Motor vehicles                          | - | 20% per annum                |

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account. Repairs and maintenance expenditure is written off to the profit and loss account

The director undertakes a review of the carrying value of fixed assets when trigger events occur and makes such provisions for impairment as he considers necessary

#### **Long-term contracts**

Amounts recoverable on long-term contracts, which are included in debtors, are stated at the net sales value of the work carried out less amounts receivable as progress payments on account. Cumulative costs incurred net of amounts transferred to cost of sales, less provision for contingencies and anticipated future losses on contracts, are included as long-term contract balances in stock

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of the total contract value which costs incurred to date bear to total expected costs for that contract

#### **Stock**

Stocks and work-in-progress are stated at the lower of cost and net realisable value. Cost includes suppliers' invoice price, plus direct labour and production overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price less all further costs to completion and all relevant selling and distribution costs

#### **Leases**

Rental costs under operating lease are charged to the profit and loss account in equal annual amounts over the period of the lease

#### **Pension costs**

The company operates a defined contribution pension scheme. The cost for the financial year represents the contributions payable to the scheme in respect of the accounting period

# Paramount Office Interiors Limited

## Notes to the financial statements for the year ended 31 December 2009

### 1. Accounting policies (continued)

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions, or events that result in an obligation to pay more tax in future, or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are temporary differences between profit as computed for taxation purposes and profit as stated in the financial statements, which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal on the underlying timing differences can be deducted. The company has chosen not to discount deferred tax assets and liabilities.

### 2. Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax. The turnover, which arises solely in the United Kingdom, is attributable to the company's principal activity.

Income is recognised in the period in which the services or goods have been provided.

### 3. Employment costs

|                                | 2009<br>£000 | 2008<br>£000 |
|--------------------------------|--------------|--------------|
| <b>Directors' remuneration</b> |              |              |
| Emoluments                     | 69           | 66           |

There were no company contributions to money purchase or similar pension schemes in respect of services provided by the director during the current or the prior financial year.

The average number of personnel employed by the Company during the year (including the executive director) is outlined below.

|                            | 2009<br>Number | 2008<br>Number |
|----------------------------|----------------|----------------|
| Sales                      | 5              | 9              |
| Operations                 | 17             | 26             |
| Finance and administration | 8              | 8              |
|                            | 30             | 43             |

|                                                             | 2009<br>£000 | 2008<br>£000 |
|-------------------------------------------------------------|--------------|--------------|
| <b>Staff costs during the year (including the director)</b> |              |              |
| Wages and salaries                                          | 1,028        | 1,761        |
| Social security costs                                       | 110          | 175          |
| Pension costs                                               | 4            | 8            |
|                                                             | 1,142        | 1,944        |

# Paramount Office Interiors Limited

## Notes to the financial statements for the year ended 31 December 2009 (continued)

### 4. Operating loss

|                                                   | 2009<br>£000 | 2008<br>£000 |
|---------------------------------------------------|--------------|--------------|
| <b>Operating loss is stated after charging</b>    |              |              |
| Depreciation                                      |              |              |
| - owned assets                                    | 100          | 135          |
| Rentals under operating leases                    |              |              |
| - other operating leases                          | 268          | 280          |
| <b>Services provided by the company's auditor</b> |              |              |
| Fees payable for the audit                        | 10           | 10           |
| Fees payable for other services – tax compliance  | 3            | 3            |

### 5. Interest payable and similar charges

|                           | 2009<br>£'000 | 2008<br>£'000 |
|---------------------------|---------------|---------------|
| Bank loans and overdrafts | 2             | 11            |

### 6. Tax on loss on ordinary activities

|                                                | 2009<br>£000 | 2008<br>£000 |
|------------------------------------------------|--------------|--------------|
| <b>Current taxation</b>                        |              |              |
| UK corporation tax on losses in the period     | -            | (62)         |
| Adjustment in respect of prior years           | -            | (2)          |
| <b>Total current tax</b>                       | -            | (64)         |
| <b>Deferred tax</b>                            |              |              |
| Origination and reversal of timing differences | (29)         | (30)         |
| <b>Tax on loss on ordinary activities</b>      | <b>(29)</b>  | <b>(94)</b>  |

The tax assessed for the year is higher (2008 higher) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2009 of 21% (2008 20.75%). The differences are explained below

|                                                                          | 2009<br>£000 | 2008<br>£000 |
|--------------------------------------------------------------------------|--------------|--------------|
| <b>Loss on ordinary activities before tax</b>                            | <b>(252)</b> | <b>(465)</b> |
| <b>Loss on ordinary activities at the UK tax rate 21% (2008: 20.75%)</b> | <b>(53)</b>  | <b>(96)</b>  |
| Effects of                                                               |              |              |
| Expenses not deductible for tax purposes                                 | 10           | 14           |
| Accelerated capital allowances                                           | 8            | 12           |
| Other timing differences                                                 | 35           | 5            |
| Tax at marginal rates                                                    | -            | 3            |
| Adjustments to tax in respect of prior years                             | -            | (2)          |
| <b>Total current tax (credit)</b>                                        | <b>-</b>     | <b>(64)</b>  |

# Paramount Office Interiors Limited

## Notes to the financial statements for the year ended 31 December 2009 (continued)

### 7. Tangible fixed assets

|                                 | Leasehold<br>improvements<br>£'000 | Fixtures,<br>fittings &<br>office<br>equipment<br>£'000 | Motor<br>vehicles<br>£'000 | Freehold<br>land &<br>buildings<br>£'000 | Total<br>£'000 |
|---------------------------------|------------------------------------|---------------------------------------------------------|----------------------------|------------------------------------------|----------------|
| <b>Cost</b>                     |                                    |                                                         |                            |                                          |                |
| At 1 January 2009               | 539                                | 339                                                     | 49                         | 6                                        | 933            |
| Disposals                       | (32)                               | -                                                       | (6)                        | -                                        | (38)           |
| <b>At 31 December 2009</b>      | <b>507</b>                         | <b>339</b>                                              | <b>43</b>                  | <b>6</b>                                 | <b>895</b>     |
| <b>Accumulated depreciation</b> |                                    |                                                         |                            |                                          |                |
| At 1 January 2009               | 195                                | 203                                                     | 35                         | -                                        | 433            |
| Charge for the year             | 43                                 | 50                                                      | 7                          | -                                        | 100            |
| Eliminated on disposal          | (32)                               | -                                                       | (3)                        | -                                        | (35)           |
| <b>At 31 December 2009</b>      | <b>206</b>                         | <b>253</b>                                              | <b>39</b>                  | <b>-</b>                                 | <b>498</b>     |
| <b>Net book value</b>           |                                    |                                                         |                            |                                          |                |
| <b>At 31 December 2009</b>      | <b>301</b>                         | <b>86</b>                                               | <b>4</b>                   | <b>6</b>                                 | <b>397</b>     |
| At 31 December 2008             | 344                                | 136                                                     | 14                         | 6                                        | 500            |

### 8. Stock

|                             | 2009<br>£'000 | 2008<br>£'000 |
|-----------------------------|---------------|---------------|
| Short term work-in-progress | 18            | 257           |

### 9. Debtors

|                                | 2009<br>£000 | 2008<br>£000 |
|--------------------------------|--------------|--------------|
| Trade debtors                  | 1,338        | 1,001        |
| Prepayments and accrued income | 72           | 84           |
| Other debtors                  | 244          | 322          |
| Corporation tax recoverable    | -            | 63           |
|                                | <b>1,654</b> | <b>1,470</b> |

# Paramount Office Interiors Limited

## Notes to the financial statements for the year ended 31 December 2009

### 10. Creditors: amounts falling due within one year

|                                    | 2009<br>£000 | 2008<br>£000 |
|------------------------------------|--------------|--------------|
| Bank loan and overdraft            | 43           | 171          |
| Directors loan                     | 120          | -            |
| Trade creditors                    | 848          | 958          |
| Other taxation and social security | 209          | 84           |
| Other creditors                    | 534          | 410          |
| Accruals and deferred income       | 1            | 5            |
|                                    | <b>1,755</b> | <b>1,628</b> |

The bank loan is repayable in 33 monthly instalments commencing April 2007. Interest on the loan is payable at 1.75% above base rate. The loan is secured by a fixed and floating charge over the assets of the company.

The bank overdraft is repayable on demand.

The director loan is unsecured, interest free and repayable on demand and has been repaid in full subsequent to the year end date.

### 11. Creditors: amounts falling due after more than one year

|           | 2009<br>£'000 | 2008<br>£'000 |
|-----------|---------------|---------------|
| Bank loan | -             | 23            |

### 12. Borrowings

Bank loans and overdrafts are repayable as follows

|                                                     | 2009<br>£000 | 2008<br>£000 |
|-----------------------------------------------------|--------------|--------------|
| In one year or less or on demand                    | 43           | 171          |
| In more than one year, but no more than two years   | -            | 23           |
| In more than two years, but not more than five year | -            | -            |
|                                                     | <b>43</b>    | <b>194</b>   |

# Paramount Office Interiors Limited

## Notes to the financial statements for the year ended 31 December 2009 (continued)

### 13. Provisions for liabilities and charges

|                                         | Deferred<br>taxation<br>£'000 | Lease<br>provision<br>£'000 | Total<br>£'000 |
|-----------------------------------------|-------------------------------|-----------------------------|----------------|
| At 1 January 2009                       | 29                            | 32                          | 61             |
| Charged to the profit and loss account  | -                             | 16                          | 16             |
| Credited to the profit and loss account | (29)                          | (26)                        | (55)           |
| <b>At 31 December 2009</b>              | <b>-</b>                      | <b>22</b>                   | <b>22</b>      |

#### Deferred taxation

The deferred tax liability comprises

|                                              | 2009<br>£000 | 2008<br>£000 |
|----------------------------------------------|--------------|--------------|
| Capital allowances in excess of depreciation | 29           | 37           |
| Losses                                       | (29)         | (8)          |
|                                              | -            | 29           |

#### Lease provision

Provision has been made for vacant properties where lease commitments exist

### 14. Called up share capital

|                                           | 2009<br>£'000 | 2008<br>£'000 |
|-------------------------------------------|---------------|---------------|
| <b>Authorised</b>                         |               |               |
| 100,000 ordinary shares of £1 each        | 100           | 100           |
| <b>Called up, allotted and fully paid</b> |               |               |
| 24,600 ordinary shares of £1 each         | 25            | 25            |

### 15. Reconciliation of movement in shareholder's funds and statement of movements on reserves

|                                    | Ordinary<br>share<br>capital<br>£'000 | Capital<br>redemption<br>reserve<br>£'000 | Profit<br>and loss<br>account<br>£'000 | Total<br>£'000 |
|------------------------------------|---------------------------------------|-------------------------------------------|----------------------------------------|----------------|
| Balance at 1 January 2009          | 25                                    | 25                                        | 466                                    | 516            |
| (Loss) for the year                | -                                     | -                                         | (223)                                  | (223)          |
| <b>Balance at 31 December 2009</b> | <b>25</b>                             | <b>25</b>                                 | <b>243</b>                             | <b>293</b>     |

# Paramount Office Interiors Limited

## Notes to the financial statements for the year ended 31 December 2009 (continued)

### 16. Financial commitments

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows

|                             | 2009                           |                                       | 2008                           |                                       |
|-----------------------------|--------------------------------|---------------------------------------|--------------------------------|---------------------------------------|
|                             | Leasehold<br>property<br>£'000 | Other<br>operating<br>leases<br>£'000 | Leasehold<br>property<br>£'000 | Other<br>operating<br>leases<br>£'000 |
| Leases which expire         |                                |                                       |                                |                                       |
| - Within one year           | 6                              | -                                     | -                              | -                                     |
| - Within two and five years | 51                             | -                                     | 25                             | -                                     |
| - After five years          | 191                            | -                                     | 243                            | -                                     |
| Total                       | 248                            | -                                     | 268                            | -                                     |

### 17. Related party transactions

The company made sales of £48,547 (2008 £1,735,000) to customers in which the director, Mr N B Roberts BA, has an interest

The company has been charged £191,156 (2008 £196,000) in respect of property rentals where Mr N B Roberts BA has an interest in the properties concerned

The company has a debtor of £Nil (2008 £130,000) in respect of monies owed from a company in which Mr N B Roberts BA has an interest

The company has a creditor of £120,000 (2008 Nil) in respect of a loan from the director, Mr N B Roberts BA

### 18. Ultimate controlling party

N B Roberts BA and his wife are the ultimate controlling parties by virtue of their controlling interest in company's share capital