

Company No. 02492497

CARPET MATTERS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1998

P F O BROOM & CO
CHARTERED CERTIFIED ACCOUNTANTS
REGISTERED AUDITORS



CARPET MATTERS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1998

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AUDITORS' REPORT TO
CARPET MATTERS LIMITED
FOR THE YEAR ENDED 30TH JUNE 1998
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the annexed abbreviated accounts together with the annual accounts of the company for the year ended 30th June 1998 prepared under section 226 of the Companies Act 1985.

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 whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246 of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the annual accounts, 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 annual accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the annexed abbreviated accounts are properly prepared in accordance with those provisions.


P.F.O. Broom & Co.
Chartered Certified Accountants
Registered Auditors
Broom House
39/43 London Road
Hadleigh Benfleet
Essex SS7 2QL

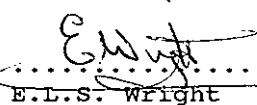
22nd February 1999

CARPET MATTERS LIMITED
ABBREVIATED BALANCE SHEET
AS AT 30TH JUNE 1998

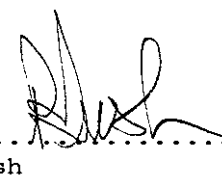
	Note	1998 £	1997 £
Fixed assets			
Tangible assets	2	5,188	10,420
Current assets			
Stocks		38,365	45,712
Debtors		34,374	30,974
Cash at bank and in hand		69	60
		<u>72,808</u>	<u>76,746</u>
Creditors: amounts falling due within one year	3	<u>(363,751)</u>	<u>(391,433)</u>
Net current (liabilities)		(290,943)	(314,687)
Total assets less current liabilities		<u>(285,755)</u>	<u>(304,267)</u>
Capital and reserves			
Called up share capital	4	100	100
Profit and loss account		(285,855)	(304,367)
		<u>(285,755)</u>	<u>(304,267)</u>

Approved by the board of directors on 22nd February 1999.

These abbreviated accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.



 E.L.S. Wright



 P. Rush

CARPET MATTERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1998

1 Accounting policies

a. Basis of accounting

The financial statements have been prepared on a going concern basis. Of the company's liabilities, £230,811 is owed to the directors who have agreed not to demand repayment of this amount until at least one year after the date on which the accounts are approved. A further £78,090 of the company's liabilities is in the form of a loan which is personally guaranteed by one of the directors.

The company meets its day to day working capital requirements through an overdraft facility which, in common with all such facilities, is repayable on demand. The company is operating within its agreed facility and in view of the directors' relationship with the company's bankers, they consider it reasonable to rely on the continuation of the facility for the foreseeable future.

If the going concern basis were not appropriate, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets as current assets.

b. Turnover

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities and is stated net of trade discounts and value added tax.

c. Depreciation of tangible assets

Depreciation is calculated to write off the cost (less estimated residual value) of fixed assets over their estimated useful lives at the following annual rates:

Leasehold land and buildings	evenly over the term of the lease.
Equipment	25% reducing balance

d. Leases and hire purchase contracts

Assets acquired under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful lives. The interest element of the rental obligations is charged over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged on a straight line basis over the term of the lease.

e. Stocks

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

CARPET MATTERS LIMITED
 NOTES TO THE ABBREVIATED ACCOUNTS
 FOR THE YEAR ENDED 30TH JUNE 1998

2 Tangible fixed assets	Total
	£
Cost	
1st July 1997	36,976
Additions	-
Disposals	(5,538)
30th June 1998	31,438
Depreciation	
1st July 1997	26,556
Charge for year	1,731
Eliminated on disposals	(2,037)
30th June 1998	26,250
Net book amount	
30th June 1998	5,188
30th June 1997	10,420

3 Creditors: amounts falling due within one year includes:	1998	1997
	£	£
Directors' current accounts	230,811	230,811
£230,811 due to E.L.S. Wright is secured by a charge over all the company's present and future assets.		

4 Called up share capital	1998	1997
	£	£
Authorised		
2,000,000 ordinary shares of 5p each	100,000	100,000
Allotted called up and fully paid		
2,000 ordinary shares of 5p each	100	100