80259

CORD CONTRACT FURNITURE LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR TO 31ST DECEMBER 1996



AUDITORS REPORT TO THE SHAREHOLDERS OF

CORD CONTRACT FURNITURE LIMITED

We have examined the abbreviated accounts on pages 2 to 3 together with the full accounts of Cord Contract Furniture Limited for the year ended 31st December 1996. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full accounts.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 31st December 1996, and the abbreviated accounts on pages 2 to 3 have been properly prepared in accordance with that Schedule.

We reproduce below our audit report to the shareholders of the company on the full accounts (not appended hereto) for the year ended 31st December 1996.

"We have audited the accounts on pages 4 to 9, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 2, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed the 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 accounts 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 accounts.

Opinion

In our opinion, the accounts give a true and fair view of the state of the company's affairs as at 31 December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

11th August 97

Steele, Robertson

Registered Auditor,
Chartered Accountants,
1 Ardgowan Square,
Greenock. PA16 8NG

CORD CONTRACT FURNITURE LIMITED

ABBREVIATED BALANCE SHEET AS AT 31ST DECEMBER 1996

1995 £		Note	£	£	£
56,466	TANGIBLE FIXED ASSETS	2			55,462
	CURRENT ASSETS				
63,299	Stock & Work in Progress			56,786	
107,326	Debtors			57,923	
15,815	Cash at Bank			39,523	
186,440				154,232	
114,757	Deduct: CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	3		98,277	
71,683	NET CURRENT ASSETS				55,955
128,149	TOTAL ASSETS LESS CURRENT LIABILITIES				111,417
22,062	Deduct: CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR				15,479
£106,087					£95,938
	Represented by:-				
	SHARE CAPITAL				
	Authorised				
£100,000	100,000 Ordinary Shares of £1 each			£100,000	
	Issued and Fully Paid				
£5,000	5,000 Ordinary shares of £1 each				£5,000
101,087	PROFIT AND LOSS ACCOUNT				90,938
£106,087					£95,938

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985. In our opinion the company is entitled to these exemptions, because its turnover and net assets are below the statutory threshold.

Approved by the Board of Directors on 29 July 97

.....C.T. Muir.....Director

C.T. Muir

The notes on page 3 form part of these abbreviated accounts.

CORD CONTRACT FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - YEAR TO 31ST DECEMBER 1996

1. Accounting Policies

(a) Accounting Convention - the accounts are prepared under the historical cost convention.

(b) Depreciation - Depreciation has been provided on fixed assets using the straight-line method at rates which will write-off the assets over their expected lives. The rates used are:-

Property Alterations and Improvements	5% p.a.
Office Equipment and Fittings	20% p.a.
Motor Vehicles	25% p.a.

(c) Stocks and work-in-progress have been valued on the basis of cost or net realisable value, whichever is lower.

(d) Costs in respect of hire purchase contracts are charged on a straight line basis over the contract term. The assets are included in fixed assets and the capital proportion of the balance outstanding is included in creditors.

(e) Turnover

Turnover is the net value of goods and services supplied, exclusive of Value Added Tax, less credits granted where applicable.

2. Fixed Assets

	1996	1995
Net book value at 1.1.1996	56,466	55,312
Additions	11,303	16,684
Disposals	-	-
	67,769	71,996
Depreciation charge for the year	12,307	15,530
NET BOOK VALUE AT 31ST DECEMBER 1996	£55,462	£56,466

3. Creditors

Creditors include a bank overdraft £5,889 secured by a floating charge over the assets of the company and a bank loan of £17,062 secured on a freehold property at 37 Shuna Place, Maryhill. The loan is repayable in equal monthly instalments between 1st January 1994 and 19th April 2002.