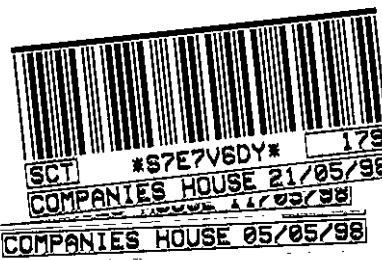
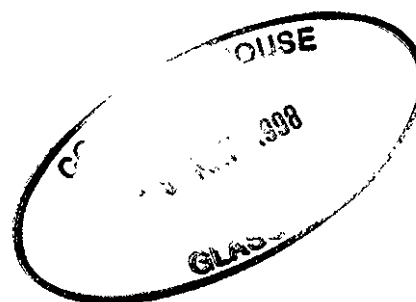


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D. & C. TAYLOR (SALES) LTD.
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 1997

Company No. 80376



AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

**Auditors' Report to the Directors of D. & C. Taylor (Sales) Ltd.
pursuant to Paragraph 247B of the Companies Act 1985**

We have examined the Abbreviated Financial Statements together with the full Financial Statements of the Company prepared under Section 226 of the Companies Act 1985 for the year ended 31st December 1997.

Respective Responsibilities of Directors and Auditors

The Directors are responsible for preparing the Abbreviated Accounts in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies. It is our responsibility to form an independent opinion as to the Company's entitlement to deliver Abbreviated Accounts and whether the Abbreviated Accounts have been properly prepared in accordance with those provisions.

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 Section 246 (5) and (6) of the Companies Act 1985 to deliver Abbreviated Accounts prepared in accordance with the special provisions of Part VII of that Act, in respect of the year ended 31st December 1997 and the Abbreviated Accounts on pages 2 and 3 have been properly prepared in accordance with those provisions.

A handwritten signature in black ink, appearing to read 'Alexander Sloan', with a stylized flourish at the end.

ALEXANDER SLOAN & CO., C.A.
Registered Auditors

GLASGOW: 26th March 1998

ABBREVIATED BALANCE SHEET

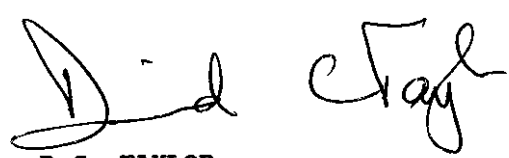
AS AT 31st DECEMBER 1997

	Notes	1997	1996
	£	£	£
FIXED ASSETS			
Tangible Assets	3	94,648	64,792
CURRENT ASSETS			
Debtors	122,214	124,900	
Bank	81,338	124,236	
	203,552	249,136	
CREDITORS			
Amounts falling due within one year	237,448	254,626	
NET CURRENT (LIABILITIES)		(33,896)	(5,490)
TOTAL ASSETS LESS CURRENT LIABILITIES			
		60,752	59,302
DEFERRED ASSET			
ACT Recoverable		26,500	26,900
		<u>87,252</u>	<u>86,202</u>
CAPITAL AND RESERVES			
Share Capital	2	20,000	20,000
Profit and Loss Account		67,252	66,202
TOTAL SHAREHOLDERS' FUNDS		<u>87,252</u>	<u>86,202</u>

The Abbreviated Accounts which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies were approved by the Board on 26th March 1998 and signed on its behalf.



W.C. TAYLOR
Director



D.C. TAYLOR
Director

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 1997

1. ACCOUNTING POLICIES

a) The Financial Statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Turnover

Turnover represents the sales invoiced net of Value Added Tax and commission earned on the sale of dry paint finishes.

c) Depreciation

Depreciation has been provided to write off the cost of Tangible Fixed Assets over their estimated useful lives as follows:-

Motor Vehicles	- 20% per annum on the reducing balance method
Fixtures & Fittings	- 10% per annum on the reducing balance method

2. SHARE CAPITAL

	1997	1996
	£	£
Authorised		
20,000 Shares of £1 each	<u>20,000</u>	<u>20,000</u>
Allotted, Issued and Fully Paid		
20,000 Shares of £1 each	<u>20,000</u>	<u>20,000</u>

3. TANGIBLE FIXED ASSETS

	£
Cost	
As at 1st January 1997	108,249
Additions	114,698
Disposals	(102,811)
As at 31st December 1997	<u>120,136</u>
Aggregate Depreciation	
As at 1st January 1997	43,457
Charge for year	22,306
Disposal	(40,275)
As at 31st December 1997	<u>25,488</u>
Net Book Values	
As at 31st December 1997	<u>94,648</u>
As at 31st December 1996	<u>64,792</u>