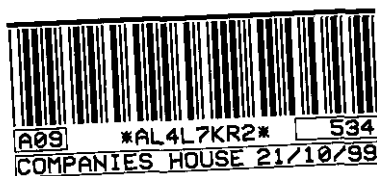


Company Registration No. 371303 (England and Wales)

SELECTED RUG & MATTING LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1998



Jeffreys Henry

Finsgate
5-7 Cranwood Street
London
EC1V 9EE

SELECTED RUG & MATTING LIMITED

CONTENTS

	Page
Auditors' report	1
Balance sheet	2
Notes to the abbreviated accounts	3 - 4

SELECTED RUG & MATTING LIMITED

AUDITORS' REPORT TO SELECTED RUG & MATTING LIMITED PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 December 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 246 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 sections 246(5) and (6) 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 considered necessary to confirm, by reference to the financial statements, 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 financial statements.

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 abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



Jeffreys Henry

Chartered Accountants
Registered Auditor

8.10.99

Finsgate, 5-7 Cranwood Street
London
EC1V 9EE

SELECTED RUG & MATTING LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1998

	Notes	1998 £	£	1997 £	£
Fixed assets					
Tangible assets	2		38,096		28,031
Current assets					
Stocks		262,424		288,439	
Debtors		614,566		790,391	
Cash at bank and in hand		185,526		-	
		<u>1,062,516</u>		<u>1,078,830</u>	
Creditors: amounts falling due within one year		<u>(485,046)</u>		<u>(510,952)</u>	
Net current assets			577,470		567,878
Total assets less current liabilities			<u>615,566</u>		<u>595,909</u>
Capital and reserves					
Called up share capital	3		10,000		10,000
Profit and loss account			605,566		585,909
Shareholders' funds			<u>615,566</u>		<u>595,909</u>

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

The financial statements were approved by the board on 18 OCT 99



E Eisenberg
Director

SELECTED RUG & MATTING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

1 Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	20% Reducing balance method
Fixtures, fittings & equipment	25% Reducing balance method
Motor vehicles	25% Reducing balance method

1.4 Stock

Stock is valued at the lower of cost and net realisable value.

1.5 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

SELECTED RUG & MATTING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

2 Fixed assets

	Total £
Cost	
At 1 January 1998	152,917
Additions	21,626
Disposals	(10,862)
At 31 December 1998	163,681
Depreciation	
At 1 January 1998	124,886
On disposals	(10,618)
Charge for the year	11,317
At 31 December 1998	125,585
Net book value	
At 31 December 1998	38,096
At 31 December 1997	28,031

3 Share capital

	1998 £	1997 £
Authorised		
10,000 Ordinary Shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
10,000 Ordinary Shares of £1 each	10,000	10,000