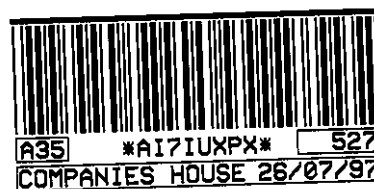


WALLCOVERING MANUFACTURERS ASSOCIATION OF
GREAT BRITAIN LIMITED
REPORT AND FINANCIAL STATEMENTS
31ST DECEMBER 1996



WALLCOVERING MANUFACTURERS ASSOCIATION OF GREAT BRITAIN LIMITED

REPORT OF COUNCIL

The council present their annual report with the audited accounts of the Association for the year ended 31st December 1996.

PRINCIPAL ACTIVITY

The principal activity of the Association during the year under review has continued to be to look after the interests of manufacturers of wallcoverings in Great Britain.

A marketing committee has been established to promote the use of wallcoverings and to increase industry sales.

The Association is now a subsidiary company of The British Coatings Federation Ltd.

The deficit for the financial year after taxation was £5922 and has been taken from reserves.

COUNCIL

The Council is the supreme decision making body of the Association and at 31st December 1996 was comprised as follows:

David Aldred	Eric Kilby
John Blake	Gerald Pickford
Michael Ferguson	Neil Sharrock
Roger Graham	Tom Smail
David Hills	Keith Spencer
Frederick Huntingdon	Eric Thurston
David Kay	

Messrs B Armitage, R Emery, H Morgan and C Yates served on Council until October, June, December and October 1996 respectively.

THE COUNCIL'S RESPONSIBILITIES

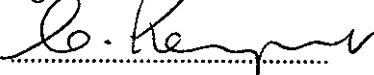
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company for that period. In preparing those accounts the directors are required to:

- * select suitable accounting policies and apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- * prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are 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.

AUDITORS

The Association has made an Elective Resolution which has dispensed with the obligation to appoint Auditors annually. Chantrey Vellacott are the auditors.

Signed on behalf of the council



C. Poupart Secretary

Approved by the council: 12th March 1997

**AUDITORS' REPORT TO THE MEMBERS OF
THE WALLCOVERING MANUFACTURERS ASSOCIATION OF GREAT BRITAIN
LIMITED**

We have audited the financial statements on pages 3 and 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF THE COUNCIL AND AUDITORS

As described on page 1, the Council is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements 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 financial statements. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our 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 financial statements 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 financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the association's affairs as at 31st December 1996 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chantrey Vellacott

Chantrey Vellacott
Chartered Accountants and Registered Auditors
Airport House
Purley Way
Croydon

4 April 1997

WALLCOVERING MANUFACTURERS ASSOCIATION OF GREAT BRITAIN LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1996

	1996 £	1996 £	1995 £	1995 £
INCOME				
Subscriptions (Note 2)				
Full Members	92666		91076	
Associate Members	<u>24000</u>	116666	<u>21179</u>	112255
Interest receivable		3318		5357
Golf day		1085		957
Education Day		<u>1308</u>	-	<u>(3141)</u>
		122377		115428
EXPENDITURE				
Management expenses	47000		45000	
Office expenses	594		3356	
Meeting expenses etc	20306		18081	
Audit fee	500		500	
Professional charges	27728		21672	
Depreciation	0		136	
Market Research	<u>34228</u>	<u>130356</u>	<u>33140</u>	<u>121885</u>
Deficit on ordinary activities (note 4)		(7979)		(6457)
Taxation (Note 3)		(2057)		1545
Deficit for the year		(5922)		(4912)
Retained Balance Bfwd		41030		45942
Retained Balance Cfwd		<u>35108</u>		<u>41030</u>

The Association has no recognised gains and losses other than those included in the deficit above, and therefore no separate statement of total recognised gains and losses has been presented.

Income and deficit are derived wholly from continuing operations.

The notes on pages 5 & 6 form part of these financial statements.

WALLCOVERING MANUFACTURING ASSOCIATION OF GREAT BRITAIN LIMITED

BALANCE SHEET AT 31ST DECEMBER 1996

	1996 £	1996 £	1995 £	1995 £
Fixed Assets - Net Book Value (Notes 2 & 5)		Nil		Nil
Current Assets				
Trade Debtors	90235		41906	
Taxation	1787		2459	
Cash at Bank	79212		82128	
	<u>171234</u>		<u>126493</u>	
Creditors				
Accruals & Creditors	<u>136126</u>		<u>85463</u>	
Net Current Assets		<u>35108</u>		<u>41030</u>
Net Assets		<u>35108</u>		<u>41030</u>
Represented by the Surplus of the Association		<u>35108</u>		<u>41030</u>

The notes on page 5 & 6 form part of these financial statements

Signed on behalf of the Council 18th day of April 1997

T. Small
.....
President

WALLCOVERING MANUFACTURERS ASSOCIATION OF GREAT BRITAIN LIMITED

NOTES FORM PART OF THE FINANCIAL STATEMENTS AT 31ST DECEMBER 1996

1 STATUS

The Association is limited by guarantee and has no share capital.
The liability of each member in the event of a winding up is £10.

On 21st December 1994 the British Coatings Federation Ltd became the sole member.

2 ACCOUNTING POLICIES

A) Basis of accounting

The financial statements are prepared under the historical cost basis of accounting.

B) Taxation

Taxation is calculated on the deficit for the year on ordinary activities as shown in the accounts.

C) Income

Members' subscriptions represent the invoiced amount of services provided and is stated net of value added tax.

D) Fixed Assets

Depreciation is provided at a rate calculated to write-off the cost, less any estimated residual value, of each asset on a reducing balance basis over its expected useful life as follows:

Computer - 25% per annum

3 TAXATION

	<u>1996</u>	<u>1995</u>
	£	£
United Kingdom Corporation Tax at 25% & 24%		
Current year	(1797)	(1545)
Prior year over provision	<u>(260)</u>	-
	<u>(2057)</u>	<u>(1545)</u>

4 (DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION is after charging:-

Auditors' remuneration	500	500
Depreciation of fixed tangible assets	Nil	136

WALLCOVERING MANUFACTURERS ASSOCIATION OF GREAT BRITAIN LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AT 31ST DECEMBER 1996 (cont)

	1996	1995
	£	£
5 FIXED ASSETS		
Computer equipment cost at 1st January	Nil	1941
Disposals	<u>Nil</u>	<u>(1941)</u>
Cost at 31st December	<u>NIL</u>	NIL
Depreciation at 1st January	Nil	1805
Charge for year	Nil	136
Disposals	<u>Nil</u>	<u>(1941)</u>
Depreciation at 31st December	<u>NIL</u>	<u>NIL</u>
Net Book Values		
31st December	Nil	Nil
1st January	Nil	136