

Company Registration No. 02709254 (England and Wales)

GOFF ASSOCIATES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 1998



Berley
Chartered Accountants
76 New Cavendish Street
LONDON W1M 7LB

GOFF ASSOCIATES LIMITED

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GOFF ASSOCIATES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 1998

The directors present their report and financial statements for the year ended 31 August 1998.

Principal activities

The principal activity of the company during the past financial year was that of interior design consultants.

Year 2000

The directors are reviewing the risks and uncertainties associated with the Year 2000 problems and are making plans for the company to address the year 2000 issues relating to its business and operations. The total costs of any remedial action are not significant and will be treated in the financial statements in line with UITF Abstract 20 "Year 2000 issues: accounting and disclosures".

Directors

The following directors have held office since 1 September 1997:

Patrick Goff

Jane Goff

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 August 1998	1 September 1997
Patrick Goff	-	-
Jane Goff	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Berley be reappointed as auditors of the company will be put to the Annual General Meeting.

GOFF ASSOCIATES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 1998

Directors' responsibilities

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


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 financial statements 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board

Patrick Goff
Director
28 April 1999



GOFF ASSOCIATES LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF GOFF ASSOCIATES LIMITED

We have audited the financial statements on pages 4 to 10 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 financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

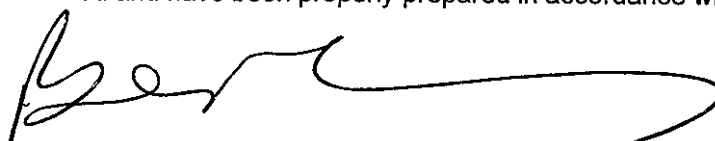
Basis of opinion

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 made 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 company's affairs as at 31 August 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Berley

Chartered Accountants

and Registered Auditors

London

10 May 1999

GOFF ASSOCIATES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 1998

	Notes	1998 £	1997 £
Turnover		476,817	348,470
Cost of sales		(85,471)	(63,263)
Gross profit		<u>391,346</u>	<u>285,207</u>
Administrative expenses		(331,093)	(279,216)
Operating profit	2	<u>60,253</u>	<u>5,991</u>
Other interest receivable and similar income	3	424	-
Interest payable and similar charges	4	(1,250)	(410)
Profit on ordinary activities before taxation		<u>59,427</u>	<u>5,581</u>
Tax on profit on ordinary activities	5	(10,886)	-
Profit on ordinary activities after taxation	11	<u><u>48,541</u></u>	<u><u>5,581</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

GOFF ASSOCIATES LIMITED

BALANCE SHEET AS AT 31 AUGUST 1998

	Notes	1998 £	£	1997 £	£
Fixed assets					
Tangible assets	6		24,491		21,464
Current assets					
Stocks		38,170		14,000	
Debtors	7	26,336		23,282	
Cash at bank and in hand		7,731		177	
		<u>72,237</u>		<u>37,459</u>	
Creditors: amounts falling due within one year	8	<u>(55,022)</u>		<u>(63,542)</u>	
Net current assets/(liabilities)			17,215		(26,083)
Total assets less current liabilities			<u>41,706</u>		<u>(4,619)</u>
Creditors: amounts falling due after more than one year	9		-		(2,216)
			<u>41,706</u>		<u>(6,835)</u>
Capital and reserves					
Called up share capital	10		2		2
Profit and loss account	11		41,704		(6,837)
Shareholders' funds - equity interests	12		<u>41,706</u>		<u>(6,835)</u>

These financial statements 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 28 April 1999

Patrick Goff
Director

Jane Goff
Director

GOFF ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1998

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention..

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

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	25% Reducing balance
Fixtures, fittings & equipment	20% Reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating profit

	1998	1997
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	6,593	4,170
Operating lease rentals	1,677	1,669
Auditors' remuneration	1,000	-
Directors' emoluments	75,800	71,000

GOFF ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1998

3	Other interest receivable and similar income	1998	1997
		£	£
	Bank interest	424	-
		<hr/>	<hr/>
4	Interest payable	1998	1997
		£	£
	VAT surcharge	200	-
	Hire purchase interest	1,050	410
		<hr/>	<hr/>
		1,250	410
		<hr/>	<hr/>
5	Taxation	1998	1997
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 21% (1997 - 0%)	10,886	-
		<hr/>	<hr/>

GOFF ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1998

6 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 September 1997	28,893
Additions	9,620
At 31 August 1998	38,513
Depreciation	
At 1 September 1997	7,429
Charge for the year	6,593
At 31 August 1998	14,022
Net book value	
At 31 August 1998	24,491
At 31 August 1997	21,464

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
Net book values	
At 31 August 1998	5,641
At 31 August 1997	7,521
Depreciation charge for the year	
31 August 1998	1,880
31 August 1997	684

GOFF ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1998

7 Debtors	1998	1997
	£	£
Trade debtors	26,334	21,530
Other debtors	2	1,752
	<u>26,336</u>	<u>23,282</u>
	<u><u>26,336</u></u>	<u><u>23,282</u></u>
8 Creditors: amounts falling due within one year	1998	1997
	£	£
Bank loans and overdrafts	-	16,144
Net obligations under hire purchase contracts	2,216	3,324
Trade creditors	9,245	12,834
Taxation and social security	28,880	13,169
Other creditors	14,681	18,071
	<u>55,022</u>	<u>63,542</u>
	<u><u>55,022</u></u>	<u><u>63,542</u></u>
9 Creditors: amounts falling due after more than one year	1998	1997
	£	£
Net obligations under finance leases and hire purchase agreements	-	2,216
	<u>-</u>	<u>2,216</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	2,917	4,374
Repayable between one and five years	-	2,917
	<u>2,917</u>	<u>7,291</u>
Finance charges and interest allocated to future accounting periods	(701)	(1,751)
	<u>2,216</u>	<u>5,540</u>
Included in liabilities falling due within one year	<u>(2,216)</u>	<u>(3,324)</u>
	<u>-</u>	<u>2,216</u>
	<u><u>-</u></u>	<u><u>2,216</u></u>

GOFF ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1998

10 Share capital	1998	1997
	£	£
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	<hr/>	<hr/>
11 Statement of movements on profit and loss account		
		Profit and loss account
		£
Balance at 1 September 1997		(6,837)
Retained profit for the year		48,541
		<hr/>
Balance at 31 August 1998		41,704
		<hr/>
12 Reconciliation of movements in shareholders' funds	1998	1997
	£	£
Profit for the financial year	48,541	5,581
Opening shareholders' funds	(6,835)	(12,416)
	<hr/>	<hr/>
Closing shareholders' funds	41,706	(6,835)
	<hr/>	<hr/>