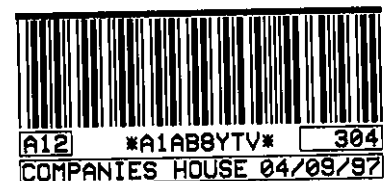


Registered

Goff Associates Limited
Directors' Report and Financial Statements
for the year ended
31 August 1996

Company No. 02709254

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 1996

The directors present their report and the financial statements for the year ended 31 August 1996.

Principal Activities

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

Directors and their Interests

The directors who served during the year and their interests in the company were as stated below.

	Class of share	Number of shares	
		1996	1995
Patrick Goff	Ordinary shares	-	-
Jane Goff	Ordinary shares	-	-
Alan Thain	Ordinary shares	-	-
(resigned on 31 March 1995)			

In the preparation of the directors' report advantage has been taken of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

This report was approved by the Board on 6 August 1997.


Patrick Goff
Secretary

Goff Associates Limited

Accountants' Report to the shareholders on the
unaudited accounts of Goff Associates Limited

We report on the accounts for the year ended 31 August 1996 set out on pages 3 to 8.

Respective responsibilities of directors and reporting accountants

As described on page 4 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



Berley

Chartered Accountants

Reporting Accountants

London

29 August 1997

Goff Associates Limited
Profit and Loss Account
for the year ended 31 August 1996

	Notes	1996 £	1995 £
Turnover		220,221	164,575
Cost of sales		(43,733)	(24,221)
Gross profit		<u>176,488</u>	<u>140,354</u>
Administrative expenses		(187,392)	(141,800)
Other operating income		<u>-</u>	<u>1,064</u>
Operating loss	2	(10,904)	(382)
Other interest receivable and similar income	3	-	8
Interest payable and similar charges	4	-	(328)
Retained loss for the year	9	<u>£ (10,904)</u>	<u>£ (702)</u>

There are no recognised gains and losses other than as disclosed above and there have been no discontinued activities or acquisitions in the current or preceding year.

Goff Associates Limited

Balance Sheet
as at 31 August 1996

	Notes	£	1996 £	£	1995 £
Fixed Assets					
Tangible assets	5		3,579		3,730
Current Assets					
Stocks		10,500		10,243	
Debtors	6	22,603		34,077	
Cash at bank and in hand		49		275	
		<u>33,152</u>		<u>44,595</u>	
Creditors: amounts falling due within one year	7	<u>(49,147)</u>		<u>(49,837)</u>	
Net Current Liabilities			<u>(15,995)</u>		<u>(5,242)</u>
Total Assets Less Current Liabilities			<u>£ (12,416)</u>		<u>£ (1,512)</u>
Capital and Reserves					
Called up share capital	8		2		2
Profit and loss account	9		<u>(12,418)</u>		<u>(1,514)</u>
Shareholders' Funds	10		<u>£ (12,416)</u>		<u>£ (1,512)</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(2) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

Goff Associates Limited

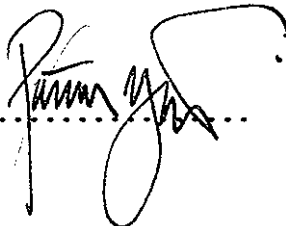
Balance Sheet (continued)
as at 31 August 1996

In preparing these financial statements:

- (a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company.

The financial statements were approved by the Board on *6 August 1997.*

Patrick Goff.....
Director



Jane Goff.....
Director



Goff Associates Limited

Notes to the Financial Statements for the year ended 31 August 1996

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

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 provided in the UK 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:

Fixtures, fittings and equipment	-	20% Reducing balance
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1.4 Stock and work in progress

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

1.5 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

2. Operating Loss

Operating loss is stated after charging:

Depreciation of tangible assets	895	933
Hire of plant and machinery	908	1,066
Directors' emoluments	36,972	45,361
	<u> </u>	<u> </u>

Goff Associates Limited

Notes to the Financial Statements
for the year ended 31 August 1996

3.	Other Interest Receivable and Similar Income	1996 £	1995 £
	Bank interest received	-	8
		<u> </u>	<u> </u>
4.	Interest Payable	1996 £	1995 £
	VAT surcharge	-	328
		<u> </u>	<u> </u>
5.	Tangible assets		Plant and machinery etc £
	Cost		
	At 1 September 1995		6,094
	Additions		744
			<u> </u>
	At 31 August 1996		6,838
	Depreciation		
	At 1 September 1995		2,364
	Charge for year		895
			<u> </u>
	At 31 August 1996		3,259
	Net book values		
	At 31 August 1996	£	3,579
			<u> </u>
	At 31 August 1995	£	3,730
			<u> </u>
6.	Debtors	1996 £	1995 £
	Trade debtors	16,447	33,950
	Others	6,156	127
		<u> </u>	<u> </u>
		£ 22,603	£ 34,077
		<u> </u>	<u> </u>

Goff Associates Limited

Notes to the Financial Statements
for the year ended 31 August 1996

7.	Creditors: amounts falling due within one year	1996 £	1995 £
	Bank loans and overdrafts	8,966	3,254
	Trade creditors	10,164	11,379
	Other creditors	30,017	35,204
		<u>£ 49,147</u>	<u>£ 49,837</u>
8.	Share Capital	1996 £	1995 £
	Authorised		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
9.	Profit And Loss Account	1996 £	1995 £
	Accumulated losses at 1 September 1995	(1,514)	(812)
	Retained loss for the year	(10,904)	(702)
	Accumulated losses at 31 August 1996	<u>£ (12,418)</u>	<u>£ (1,514)</u>
10.	Reconciliation of Movements in Shareholders' Funds	1996 £	1995 £
	Loss for the financial year	(10,904)	(702)
	Opening shareholders' funds	(1,512)	(810)
	Closing shareholders' funds	<u>£ (12,416)</u>	<u>£ (1,512)</u>