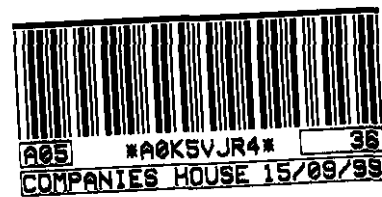


Abbreviated Financial Statements
for the Year Ended 31 December 1998
for
Liverpool Commercial Saleroom Company Limited



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for the Year Ended 31 December 1998

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Liverpool Commercial Saleroom Company Limited

Company Information
for the Year Ended 31 December 1998

DIRECTORS: B.H. Calvert
A.E.A. Calvert

SECRETARY: A.E.A. Calvert

REGISTERED OFFICE: 28 Exchange Street East
Liverpool
L2 3XZ

REGISTERED NUMBER: 11998

ACCOUNTANTS: Westmore Brennand
Chartered Accountants
Masons Building
28 Exchange Street East
Liverpool
L2 3XZ

Liverpool Commercial Saleroom Company Limited

Abbreviated Balance Sheet
31 December 1998

		<u>31.12.98</u>		<u>31.12.97</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	2		15,856		17,704
Tangible assets	3		1,110,461		1,113,837
Investments	4		<u>10,557</u>		<u>10,557</u>
			1,136,874		1,142,098
CURRENT ASSETS:					
Debtors		23,318		20,728	
Cash at bank		<u>78,868</u>		<u>80,475</u>	
		102,186		101,203	
CREDITORS: Amounts falling due within one year	5	<u>88,887</u>		<u>95,401</u>	
NET CURRENT ASSETS:			<u>13,299</u>		<u>5,802</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			1,150,173		1,147,900
CREDITORS: Amounts falling due after more than one year	5		<u>450,494</u>		<u>473,301</u>
			<u>£699,679</u>		<u>£674,599</u>
CAPITAL AND RESERVES:					
Called up share capital	6		44,000		44,000
Revaluation reserve			227,755		227,755
Other reserves			1,841		1,841
Profit and loss account			<u>426,083</u>		<u>401,003</u>
Shareholders' funds			<u>£699,679</u>		<u>£674,599</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ending 31 December 1998.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

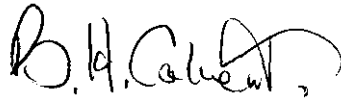
Liverpool Commercial Saleroom Company Limited

Abbreviated Balance Sheet
31 December 1998

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

ON BEHALF OF THE BOARD:

B.H. Calvert - DIRECTOR



A.E.A. Calvert - DIRECTOR



Approved by the Board on 23 August 1999

The notes form part of these financial statements

Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1998

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

Turnover represents the amount receivable for rent and for services supplied net of value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Leasehold property	- not provided
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

2. INTANGIBLE FIXED ASSETS

	<u>Total</u>
	£
COST:	
At 1 January 1998	
and 31 December 1998	<u>22,170</u>
AMORTISATION:	
At 1 January 1998	4,466
Charge for year	<u>1,848</u>
At 31 December 1998	<u>6,314</u>
NET BOOK VALUE:	
At 31 December 1998	<u>15,856</u>
At 31 December 1997	<u>17,704</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1998

3. TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
COST OR VALUATION:	
At 1 January 1998	
and 31 December 1998	<u>1,127,417</u>
DEPRECIATION:	
At 1 January 1998	13,580
Charge for year	<u>3,376</u>
At 31 December 1998	<u>16,956</u>
NET BOOK VALUE:	
At 31 December 1998	<u>1,110,461</u>
At 31 December 1997	<u>1,113,837</u>

4. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	31.12.98	31.12.97
	£	£
Paintings	<u>10,557</u>	<u>10,557</u>

5. CREDITORS

The following secured debts are included within creditors:

	31.12.98	31.12.97
	£	£
Bank loans	<u>379,594</u>	<u>403,301</u>

Creditors include the following debts falling due in more than five years:

	31.12.98	31.12.97
	£	£
Repayable otherwise than by instalments		
Gladstone Management Services Limited	<u>95,000</u>	<u>95,000</u>
	<u>95,000</u>	<u>95,000</u>
Repayable by instalments		
Bank loans	<u>244,394</u>	<u>255,601</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1998

6. **CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.98	31.12.97
			£	£
4,000	Ordinary	£1	4,000	4,000
40,000	3% Non-Cum Deferred	£1	<u>40,000</u>	<u>40,000</u>
			<u>44,000</u>	<u>44,000</u>

7. **ULTIMATE PARENT COMPANY**

The directors consider that Proofbasis Limited is the ultimate holding company.