

**DEANE & AMOS SHOPFITTING
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2000



Company no 1834418

DEANE & AMOS SHOPFITTING LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2000

Company registration number: 1834418

Registered office: South Portway Close
Round Spinney
Northampton
NN3 4RH

Directors: M A Deane
A J Tipping
N J Humphries

Secretary: N J Humphries

Bankers: National Westminster Bank PLC
P O Box 21
41 The Drapery
Northampton
NN1 2EY

Solicitors: Eyton Morris Winfield
101 North 13th Street
Central Milton Keynes
MK9 3NU

Auditors: Grant Thornton
Registered auditors
Chartered accountants

DEANE & AMOS SHOPFITTING LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2000

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DEANE & AMOS SHOPFITTING LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 March 2000.

Principal activity

The company is principally engaged in shopfitting.

Business review

There was a profit for the year after taxation amounting to £128,981 (1999: £317,740). The directors do not recommend payment of a dividend and the profit has therefore been transferred to reserves.

Directors

The present membership of the Board is set out below. All directors served throughout the year.

Mr M A Deane retires by rotation and being eligible offers himself for re-election.

The interests of the directors in the shares of the company as at 1 April 1999 and 31 March 2000 were as follows:

	Ordinary shares	
	31 March 2000	1 April 1999
M A Deane	-	-
A J Tipping	-	-
N J Humphries	-	-

The interests of the directors who are all directors of the parent undertaking are disclosed in that company's financial statements.

No director had, during or at the year end, a material interest in any contract which was significant in relation to the company's business.

Charitable contributions

Donations to charitable organisations amounted to £1,000 (1999: £325).

Directors' responsibilities for the financial statements

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
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DEANE & AMOS SHOPFITTING LIMITED

REPORT OF THE DIRECTORS

Year 2000 Compliance


The company suffered no impact from the Year 2000 date change nor did any of its major customers suppliers or trading partners.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD

M A Deane
Director



27 November 2000

**REPORT OF THE AUDITORS TO THE MEMBERS OF
DEANE & AMOS SHOPFITTING LIMITED**

We have audited the financial statements on pages 4 to 15 which have been prepared under the accounting policies set out on pages 4 to 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. 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 United Kingdom 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 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

NORTHAMPTON



27th March 2000.

DEANE & AMOS SHOPFITTING LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

TURNOVER

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

In the case of long-term contracts, turnover reflects the contract activity during the year and represents the proportion of total contract value which costs incurred to date bear to total expected contract costs.

DEPRECIATION

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by the reducing balance method over their expected useful lives. The rates generally applicable are:

Plant and machinery	20%
Motor vehicles	25%
Fixtures and fittings	20%

LONG-TERM CONTRACTS

The attributable profit on long-term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project.

Costs associated with long-term contracts are included in stock to the extent that they cannot be matched with contract work accounted for as turnover. Long-term contract balances included in stocks are stated at cost, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

STOCKS

Stocks are stated at the lower of cost and net realisable value.

DEFERRED TAXATION

Deferred tax is provided for using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with through the profit and loss account.

DEANE & AMOS SHOPFITTING LIMITED

PRINCIPAL ACCOUNTING POLICIES

CONTRIBUTIONS TO PENSION FUNDS

Defined contribution scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

LEASED ASSETS

Assets held under hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

DEANE & AMOS SHOPFITTING LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 31 March 2000

	Note	2000 £	1999 £
Turnover	1	11,471,555	9,761,035
Cost of sales	2	(9,163,642)	(7,522,685)
Gross profit		2,307,913	2,238,350
Other operating income and charges	2	(2,140,745)	(1,761,502)
Operating profit		167,168	476,848
Net interest	3	(16,594)	(14,364)
Profit on ordinary activities before taxation	1	150,574	462,484
Tax on profit on ordinary activities	5	(21,593)	(144,744)
Profit for the financial year	16	128,981	317,740
Dividends	6	-	(250,000)
Profit transferred to reserves	15	128,981	67,740

There were no recognised gains or losses other than the profit for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

DEANE & AMOS SHOPFITTING LIMITED

BALANCE SHEET AT 31 MARCH 2000

	Note	2000 £	2000 £	1999 £	1999 £
Fixed assets					
Tangible assets	7		144,901		191,734
Current assets					
Stocks	8	470,627		238,163	
Debtors	9	3,566,821		2,676,858	
Cash at bank and in hand		21,232		1,506	
		4,058,680		2,916,527	
Creditors: amounts falling due within one year	10	(3,776,661)		(2,774,591)	
Net current assets			282,019		141,936
Total assets less current liabilities			426,920		333,670
Creditors: amounts falling due after more than one year	11		(34,333)		(71,830)
Provisions for liabilities and charges	12		(10,469)		(8,703)
			382,118		253,137
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account	15		382,018		253,037
Shareholders' funds	16		382,118		253,137

The financial statements were approved by the Board of Directors on 27 November 2000.

M A Deane

Director

A J Tipping

Director

The accompanying accounting policies and notes form an integral part of these financial statements.

DEANE & AMOS SHOPFITTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit before taxation are attributable to shopfitting.

The profit on ordinary activities is stated after:

	2000 £	1999 £
Auditors' remuneration	6,000	5,575
Depreciation:		
Tangible fixed assets, owned	19,442	23,357
Tangible fixed assets, held under hire purchase contracts	20,412	31,237
Hire of plant and machinery	63,320	49,151
Other operating lease rentals	100,000	100,000

2 COST OF SALES AND OTHER OPERATING INCOME AND CHARGES

	2000 Total £	1999 Total £
Cost of sales	9,163,642	7,522,685
Other operating income and charges:		
Distribution costs	13,755	10,084
Administrative expenses	2,138,850	1,759,641
Other operating income	(11,860)	(8,223)
	2,140,745	1,761,502

3 NET INTEREST

	2000 £	1999 £
On bank overdraft	3,537	3,876
Finance charges in respect of hire purchase contracts	13,057	10,488
	16,594	14,364

DEANE & AMOS SHOPFITTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

4 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2000 £	1999 £
Wages and salaries	2,162,863	1,608,868
Social security costs	219,488	157,084
Other pension costs	69,646	49,404
	<u>2,451,997</u>	<u>1,815,356</u>

The average number of employees of the company during the year was 79 (1999: 68).

Remuneration in respect of directors was as follows:.

	2000 £	1999 £
Emoluments	548,465	200,000
Pension contributions to money purchase pension schemes	50,000	31,332
	<u>598,465</u>	<u>231,332</u>

During the year 2 (1999: 3) directors participated in money purchase pension schemes.

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2000 £	1999 £
Emoluments	314,515	133,333
Pension contributions to money purchase pension schemes	20,000	6,667
	<u>334,515</u>	<u>140,000</u>

A charge of £242,868 (1999: £383,661) in respect of the provision of management services has been made by Deane & Amos Group Limited. It is not possible to identify separately that part of the charge relating to directors' emoluments.

DEANE & AMOS SHOPFITTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge represents:

	2000 £	1999 £
Corporation tax at 20% (1999: 31%)	10,704	144,015
Group relief	9,014	-
Deferred taxation	2,047	729
	<u>21,765</u>	<u>144,744</u>
Adjustments in respect of prior periods:		
Corporation tax	109	-
Deferred tax	(281)	-
	<u>21,593</u>	<u>144,744</u>

6 DIVIDENDS

	2000 £	1999 £
Ordinary shares - proposed final dividend of £nil per share (1999: £2,500)	-	250,000

DEANE & AMOS SHOPFITTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

7 TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 April 1999	251,996	159,323	46,693	458,012
Additions	-	40,657	14,889	55,546
	251,996	199,980	61,582	513,558
Disposals	(37,353)	(120,075)	-	(157,428)
At 31 March 2000	214,643	79,905	61,582	356,130
Depreciation				
At 1 April 1999	172,881	79,387	14,010	266,278
Provided in the year	15,823	14,517	9,514	39,854
	188,704	93,904	23,524	306,132
Eliminated on disposals	(37,353)	(57,550)	-	(94,903)
At 31 March 2000	151,351	36,354	23,524	211,229
Net book amount at 31 March 2000	63,292	43,551	38,058	144,901
Net book amount at 31 March 1999	79,115	79,936	32,683	191,734

The figures stated above include assets held under hire purchase contracts, as follows:

	Plant and machinery £	Motor vehicles £
Net book amount at 31 March 2000	33,536	36,650
Net book amount at 31 March 1999	41,920	62,270
Depreciation provided in the year	8,194	12,218

DEANE & AMOS SHOPFITTING LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2000

8 STOCKS

	2000 £	1999 £
Long-term contract balances:		
Cost less provision for foreseeable losses	75,420	-
Raw materials and consumable stores	42,632	31,345
Short-term work in progress	352,575	206,818
	<u>470,627</u>	<u>238,163</u>

9 DEBTORS

	2000 £	1999 £
Trade debtors	2,108,603	1,252,127
Amounts owed by group undertakings	1,050,066	1,393,514
Amounts recoverable on contracts	242,529	-
Pension contributions	-	324
Prepayments and accrued income	165,623	30,893
	<u>3,566,821</u>	<u>2,676,858</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £	1999 £
Bank overdraft	-	240,301
Trade creditors	2,266,111	1,513,471
Amounts owed to group undertakings	42,700	139,700
Corporation tax	10,704	144,015
Social security and other taxes	383,797	235,408
Proposed dividends	-	250,000
Other creditors	9,566	11,270
Pension contributions	810	-
Accruals and deferred income	1,034,449	213,058
Amounts due under hire purchase contracts	28,524	27,368
	<u>3,776,661</u>	<u>2,774,591</u>

The bank overdraft is secured by a fixed and floating charge over all of the company's assets and a cross guarantee from other group undertakings (see note 18).

DEANE & AMOS SHOPFITTING LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2000

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2000 £	1999 £
Amounts due under hire purchase contracts	34,333	71,830
Borrowings are repayable as follows:	2000 £	1999 £
Within one year		
Bank and other borrowings	-	240,301
Hire purchase contracts	28,524	27,368
After one and within two years		
Hire purchase contracts	24,883	25,849
After two and within five years		
Hire purchase contracts	9,450	45,981
	62,857	339,499

12 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 April 1999	8,703
Provided during the year	1,766
At 31 March 2000	10,469

13 DEFERRED TAXATION

Deferred taxation provided for in the financial statements is set out below.

	Amount provided	
	2000 £	1999 £
Accelerated capital allowances	10,469	8,703

DEANE & AMOS SHOPFITTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

14 SHARE CAPITAL

	2000 £	1999 £
Authorised, allotted, called up and fully paid 100 ordinary shares of £1 each	100	100

15 RESERVES

	Profit and loss account £
At 1 April 1999	253,037
Retained profit for the year	128,981
At 31 March 2000	382,018

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
Profit for the financial year	128,981	317,740
Dividends	-	(250,000)
Net increase in shareholders' funds	128,981	67,740
Shareholders' funds at 1 April 1999	253,137	185,397
Shareholders' funds at 31 March 2000	382,118	253,137

17 CAPITAL COMMITMENTS

The company had no capital commitments at 31 March 2000 or 31 March 1999.

18 CONTINGENT LIABILITIES

At 31 March 2000 a cross guarantee for all other group bank borrowings was in place secured by a fixed and floating charge over all of the company's assets. The maximum potential liability at 31 March 2000 was £Nil (1999: £Nil).

DEANE & AMOS SHOPFITTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

19 PENSIONS

Defined Contribution Scheme

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

20 LEASING COMMITMENTS

Operating lease payments amounting to £168,894 (1999: £166,252) are due within one year. The leases to which these amounts relate expire as follows:

	2000		1999	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	-	3,686	-	1,812
Between one and five years	100,000	65,208	-	64,440
In five years or more	-	-	100,000	-
	<u>100,000</u>	<u>68,894</u>	<u>100,000</u>	<u>66,252</u>

21 TRANSACTIONS WITH RELATED PARTIES

As a wholly-owned subsidiary of Deane & Amos Group Limited, the company is exempt from the requirements of FRS8 to disclose transactions with other members of the group headed by Deane & Amos Group Limited.

22 CONTROLLING RELATED PARTY

The directors consider that the controlling related party and ultimate parent undertaking of this company is Deane & Amos Group Limited.