

APOLLO FLOORING SYSTEMS LIMITED

DIRECTOR	G. D. Richards
SECRETARY	S. D. Richards
REGISTERED OFFICE	213 London Road, Chesterton, Newcastle, Staffordshire, ST5 7HT.
REGISTERED NUMBER	02445250
AUDITOR	John R. Brittle, Registered Auditor, 1 Cemetery Road, Shelton, Stoke-on-Trent, Staffordshire, ST4 2DL.

ANNUAL REPORT AND ACCOUNTS - 31ST JANUARY 1997

Pages	1,2	Report of the auditor
		Accounts comprising
	3	Balance Sheet
	4 - 6	Notes to the Accounts



AUDITOR'S REPORT TO APOLLO FLOORING SYSTEMS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985.

I have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of Apollo Flooring Systems Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st January 1997.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is my responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

I have carried out the procedures I considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of my work for the purpose of this report does not include examining or dealing with events after the date of my report on the full financial statements.

OPINION

In my opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st January 1997 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 11th April 1997

I reported, as auditor of Apollo Flooring Limited to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st January 1997 and my audit report was as follows:

'I have audited the financial statements on pages 4 to 8 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 1 the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

APOLLO FLOORING SYSTEMS LIMITED


BASIS OF OPINION

I conducted my 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st January 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985'.



John R. Brittle,
Registered Auditor.
Dated 11th April 1997.

1 Cemetery Road,
Shelton,
Stoke-on-Trent,
ST4 2DL.

APOLLO FLOORING SYSTEMS LIMITED

Balance Sheet as at 31st January 1997.

		1997 £	1997 £	1996 £	1996 £
NOTE					
1d, e, 9 <u>FIXED ASSETS.</u>					
11	Tangible Assets.		109,463		73,078
<u>CURRENT ASSETS.</u>					
1c	Stocks & Work in Progress.	2,500		6,601	
4	Debtors.	53,080		97,640	
	Cash at Bank & In Hand.	<u>71,347</u>		<u>14,172</u>	
		126,927		118,413	
5	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR.</u>	<u>55,422</u>		<u>76,475</u>	
	<u>NETT CURRENT ASSETS.</u>		<u>71,505</u>		<u>41,938</u>
	<u>TOTAL ASSETS LESS CURRENT LIABILITIES.</u>		180,968		115,016
5	<u>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR.</u>		-		(3,750)
	<u>NETT ASSETS.</u>		<u>180,968</u> =====		<u>111,266</u> =====
<u>CAPITAL & RESERVES.</u>					
8	Issued Share Capital.		2		2
7	Profit & Loss Account.		180,966		111,264
			<u>180,968</u> =====		<u>111,266</u> =====

In preparing these modified accounts ...

- We have relied upon the exemptions for individual accounts under Section 247 of the Companies Act 1985.
- We have done so on the grounds that the company is entitled to the benefit of those exemptions as a small Company.

Date Accounts approved.
11th April 1997.



Sole Director,
G. D. Richards.

APOLLO FLOORING SYSTEMS LIMITED

Notes on the Accounts.1. ACCOUNTING POLICIES.(a) Basis of Accounting.

The Accounts have been prepared in accordance with the historical cost convention.

(b) Deferred Taxation.

Deferred taxation is provided by using the liability method only to the extent that the directors consider that a liability will arise in the foreseeable future.

(c) Stocks.

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

(d) Depreciation.

Depreciation of fixed assets is calculated at annual rates on the written down values. The rates principally in use are:-

On Plant & Equipment.	25% p.a.
On Vehicles.	25% p.a.

(e) Freehold Property.

The freehold properties are maintained to ensure that their value does not diminish over time. The maintenance costs are charged to profit and loss in the year incurred. In the director's opinion depreciation would be immaterial and has not been charged.

2. TURNOVER.

Represents the net amounts receivable from customers in the ordinary course of business and from the principal activities and amounted to £431,512 (1996 - £493,699).

3. DIRECTORS EMOLUMENTS.

Total emoluments for the year amounted to £23,956 (1996 - £23,142), all in respect of the chairman and highest paid employee.

	1997	1996
	£	£
Gross salary.	21,000	21,000
Company's National Insurance Contributions.	<u>2,956</u>	<u>2,142</u>
	23,956	23,142
	=====	=====

4. DEBTORS.

	1997	1996
	£	£
Amounts due within one year.		
Trade Debtors.	50,930	90,538
Prepayments.	1,691	1,902
Sundry Debtors.	459	200
Loan to associate company.	<u>-</u>	<u>5,000</u>
	53,080	97,640
	=====	=====
Amounts due after one year.	NIL	NIL

APOLLO FLOORING SYSTEMS LIMITED

Notes on the Accounts.

5. <u>CREDITORS.</u>	1997 £	1996 £		
Amounts due within one year.				
Trade Creditors & Accruals.	16,718	17,545		
Dividends.	-	22,500		
Corporation Tax.	25,304	15,930		
Paye & NI Contributions.	1,423	3,949		
Directors Loan Accounts.	889	854		
H.M. Customs & Excise - VAT.	7,338	10,292		
Hire Purchase.	<u>3,750</u>	<u>5,405</u>		
	55,422	76,475		
	=====	=====		
Amounts due after one year.				
Hire Purchase.	NIL	3,750		
6. <u>TAXATION.</u>	1997 £	1996 £		
UK Corporation Tax on profit for the year.	25,304	7,305		
Prior year adjustment.	-	-		
Advance Corporation Tax.	<u>-</u>	<u>8,625</u>		
	25,304	15,930		
	=====	=====		
7. <u>RESERVES.</u>	1997 £	1996 £		
Balance b/f at 1st February	111,264	108,145		
Retained in year.	<u>69,702</u>	<u>3,119</u>		
Balance c/f at 31st January	180,966	111,264		
	=====	=====		
8. <u>SHARE CAPITAL.</u>	1997 £	1996 £		
Authorised.				
10,000 Ordinary Shares of £1 each.	10,000	10,000		
Issued.				
2 Ordinary Shares of £1 each.	2	2		
Allotted in year.	NIL	NIL		
9. <u>FIXED ASSETS.</u>				
<u>Tangible Assets.</u>	Vehicles.	Plant & Equipment.	Freehold Property.	Total.
	£	£	£	£
<u>Cost.</u>				
At 31st January 1996.	59,084	19,748	29,155	107,987
Additions.	48,309	2,868	35,000	86,177
Disposals.	<u>(47,245)</u>	<u>-</u>	<u>-</u>	<u>(47,245)</u>
At 31st January 1997.	60,148	22,616	64,155	146,919
	=====	=====	=====	=====
<u>Net Book Value.</u>				
At 31st January 1996.	32,856	11,067	29,155	73,078
At 31st January 1997.	34,856	10,452	64,155	109,463

Company No. 02445250

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Notes on the Accounts.9. FIXED ASSETS (continued).Depreciation.

At 31st January 1996.	26,228	8,681	-	34,909
Charge in year.	12,259	3,483	-	15,742
On disposals.	(13,195)	-	-	(13,195)
At 31st January 1997.	25,292	12,164	-	37,456
	=====			

10. ASSOCIATED COMPANIES.

The Company is associated by virtue of a common shareholding to Apollo Contracts Ltd.

11. TRANSACTIONS WITH DIRECTORS.

During the year the Company acquired an industrial unit at Scott Ligett Industrial Estate from the director Mr. G. D. Richards. The purchase price of £35,000 reflected a fair market value for such a property.