

**PENTAGRAM DESIGN LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2004



Company no 01599748

# **PENTAGRAM DESIGN LIMITED**

## **FINANCIAL STATEMENTS**

**For the year ended 30 SEPTEMBER 2004**

---

Company registration number: 01599748

Registered office: 11 Needham Road  
London  
W11 2RP

Directors: L Apicella  
D Hillman  
A Hyland  
J McConnell  
J Oehler  
J Rushworth  
D Weil  
F Gutierrez

Secretary: J Entwistle

Bankers: Barclays Bank Plc  
Pall Mall Business Centre  
Po Box 15163  
50 Pall Mall  
London  
SW1A 1QD

Solicitors: Rochman Landau  
45 Mortimer Street  
London  
W1W 8HJ

Auditors: Grant Thornton UK LLP  
Registered Auditors  
Chartered Accountants  
Grant Thornton House  
Melton Street  
Euston Square  
London  
NW1 2EP

**PENTAGRAM DESIGN LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 2004

---

<b>INDEX</b>	<b>PAGE</b>
Report of the directors	1 – 2
Report of the independent auditors	3 – 4
Principal accounting policies	5 – 6
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10 – 18

# **PENTAGRAM DESIGN LIMITED**

## **REPORT OF THE DIRECTORS**

---

The directors present their report together with the audited financial statements for the year ended 30 September 2004.

### **Principal activity**

The company provides design consultancy services and the results are set out in the profit and loss account. The company has maintained its level of trading since the year end and the directors expect the company to do so in the future.

### **Business review**

There was a profit for the year after taxation amounting to £7,331 (2003: £45,021). The directors do not recommend the payment of a dividend (2003: £nil).

### **Directors**

The present membership of the Board is set out below. All served on the Board throughout the year, except F Gutierrez who was appointed on 1 November 2003.

L Apicella  
D Hillman  
A Hyland  
J McConnell  
J Oehler  
J Rushworth  
D Weil  
F Gutierrez

J McConnell possesses the title to one ordinary share of the company.

None of the other directors had any direct interest in the shares of the company during the year.

The interests of the directors in the share capital of the ultimate holding company, Pentagram Design AG, are shown in that company's financial statements.

### **Directors' responsibilities for the financial statements**

United Kingdom 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

# **PENTAGRAM DESIGN LIMITED**

## **REPORT OF THE DIRECTORS**

---

### **Directors' responsibilities (continued)**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

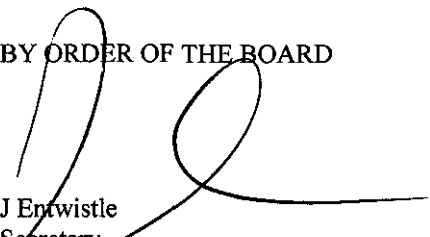
The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

On 1 July 2004, the Grant Thornton partnership transferred its business to a limited liability partnership, Grant Thornton UK LLP. Under section 26(5) of the Companies Act 1989, the directors consented to extend the audit appointment to Grant Thornton UK LLP from 1 July 2004.

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

BY ORDER OF THE BOARD



J Entwistle  
Secretary  
28 February 2005

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
PENTAGRAM DESIGN LIMITED**

We have audited the financial statements of PENTAGRAM DESIGN LIMITED for the year ended 30 September 2004 which comprise the principal accounting policies, the profit and loss account, the balance sheet, the cash flow statement and notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the directors and auditors**

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**

**PENTAGRAM DESIGN LIMITED**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the affairs of the company as at 30 September 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Grant Thornton UK LLP*

**GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

**LONDON  
28 FEBRUARY 2005**

# **PENTAGRAM DESIGN LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

---

### **BASIS OF PREPARATION**

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

The company is exempt from preparing consolidated financial statements on the grounds that, taken together with its subsidiary, it qualifies as a medium group under section 248 of the Companies Act 1985.

These financial statements therefore present information about the company as an individual undertaking and not about its group.

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

### **TURNOVER**

Turnover represents invoiced sales, excluding value added tax.

### **INVESTMENTS**

Investments are included at cost.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

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

Short leasehold improvements	- amortised over the unexpired term of twenty five years
Motor vehicles	- 25% per annum
Fixtures, fittings and computer equipment	- 15% - 33% per annum on cost

### **LEASED ASSETS**

Assets held under finance leases and 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.

### **WORK IN PROGRESS**

Work-in-progress has been valued at the lower of cost and net realisable value. The valuation of cost comprises salaries, direct charges and attributable overheads less any provision for anticipated non-recoverable work.



## **PENTAGRAM DESIGN LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

---

#### **DEFERRED TAXATION**

Deferred tax is recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax on defined benefit pension scheme surpluses or deficits is adjusted against these surpluses. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

#### **FOREIGN CURRENCIES**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction.

# PENTAGRAM DESIGN LIMITED

## PROFIT AND LOSS ACCOUNT

For the year ended 30 SEPTEMBER 2004

	Note	2004 £	2003 £
<b>Turnover</b>	10	<b>5,359,603</b>	5,485,184
Operating costs	11	<u><b>(5,332,479)</b></u>	<u>(5,397,720)</u>
<b>Operating profit</b>	10	<b>27,124</b>	87,464
Interest payable	13	<u><b>(17,452)</b></u>	<u>(10,436)</u>
<b>Profit on ordinary activities before taxation</b>	10	<b>9,672</b>	77,028
Tax on profit on ordinary activities	14	<u><b>(2,342)</b></u>	<u>(32,007)</u>
<b>Profit transferred to reserves</b>	8	<u><b>7,330</b></u>	<u>45,021</u>

All transactions arise from continuing operations.

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

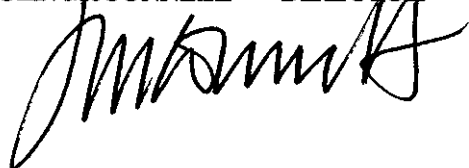
The accompanying accounting policies and notes form an integral part of these financial statements.

**PENTAGRAM DESIGN LIMITED****BALANCE SHEET AT 30 SEPTEMBER 2004**

	<b>Note</b>	<b>2004 £</b>	<b>2003 £</b>
<b>Fixed assets</b>			
Tangible assets	1	<b>223,300</b>	282,428
Investments	2	<b>2</b>	2
		<b>223,302</b>	282,430
<b>Current assets</b>			
Work in progress		<b>360,531</b>	428,660
Debtors	3	<b>1,699,354</b>	2,005,851
Cash at bank and in hand		<b>173,264</b>	41,728
		<b>2,233,149</b>	2,476,239
<b>Creditors: amounts falling due within one year</b>	4	<b>(1,021,767)</b>	(1,326,368)
<b>Net current assets</b>		<b>1,211,382</b>	1,149,871
<b>Total assets less current liabilities</b>		<b>1,434,684</b>	1,432,301
<b>Creditors: amounts falling due after more than one year</b>	5	<b>(4,123)</b>	(9,070)
		<b>1,430,561</b>	1,423,231
<b>Capital and reserves</b>			
Called up share capital	7	<b>105,007</b>	105,007
Profit and loss account	8	<b>1,325,554</b>	1,318,224
<b>Shareholders' funds</b>	9	<b>1,430,561</b>	1,423,231

The financial statements were approved by the Board of Directors on 28 February 2005

**JOHN McCONNELL - DIRECTOR**



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

**PENTAGRAM DESIGN LIMITED****CASH FLOW STATEMENT**

For the year ended 30 SEPTEMBER 2004

	<b>Note</b>	<b>2004 £</b>	<b>2003 £</b>
<b>Net cash outflow from operating activities</b>	17	<b>(105,097)</b>	(186,360)
<b>Returns on investments and servicing of finance</b>			
Bank interest paid		<b>(15,288)</b>	(7,182)
Finance lease interest paid		<b>(2,164)</b>	(3,254)
Payment from/(to) other group undertakings		<b>292,951</b>	(248,817)
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>		<b>275,499</b>	(259,253)
<b>Taxation</b>		<b>(42,716)</b>	(14,571)
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		<b>(53,754)</b>	(50,793)
Sale of tangible fixed assets		<b>19,810</b>	-
<b>Net cash outflow from capital expenditure and financial investment</b>		<b>(33,944)</b>	(50,793)
<b>Financing</b>			
Capital element of finance lease rentals		<b>(10,110)</b>	(15,260)
<b>Net cash outflow from financing</b>		<b>(10,110)</b>	(15,260)
<b>Increase/(decrease) in cash</b>	18	<b>83,632</b>	(526,237)

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

**PENTAGRAM DESIGN LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 2004

**1 TANGIBLE FIXED ASSETS**

	<b>Short leasehold improve- ments £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
Cost				
At 1 October 2003	778,521	52,112	245,903	1,076,536
Exchange difference	-	-	(1,164)	(1,164)
Additions	-	-	53,754	53,754
Disposals	-	(26,824)	(3,845)	(30,669)
At 30 September 2004	<b>778,521</b>	<b>25,288</b>	<b>294,648</b>	<b>1,098,457</b>
Depreciation				
At 1 October 2003	570,751	28,794	194,563	794,108
Exchange difference	-	-	(497)	(497)
Provided in the year	31,141	10,796	66,433	108,370
Disposals	-	(26,824)	-	(26,824)
At 30 September 2004	<b>601,892</b>	<b>12,766</b>	<b>260,499</b>	<b>875,157</b>
Net book amount at 30 September 2004	<b>176,629</b>	<b>12,522</b>	<b>34,149</b>	<b>223,300</b>
Net book amount at 30 September 2003	<b>207,770</b>	<b>23,318</b>	<b>51,340</b>	<b>282,428</b>

The figures stated above include assets held under finance leases and similar hire purchase contracts, as follows:

	<b>Motor vehicles £</b>
Net book amount at 30 September 2004	<b>12,522</b>
Net book amount at 30 September 2003	<b>23,318</b>
Depreciation provided during year	<b>10,796</b>

# PENTAGRAM DESIGN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 2004

### 2 FIXED ASSET INVESTMENTS

The investment in a subsidiary undertaking by Pentagram Design Limited is as follows:

	2004 £	2003 £
Pentagram Design Services Limited:		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Pentagram Design Services Limited is incorporated in England and Wales, is 100% owned and has been dormant since incorporation.

### 3 DEBTORS

	2004 £	2003 £
Trade debtors	1,299,748	1,337,233
Amounts owed by other group undertakings	194,864	487,815
Other debtors	80,196	60,611
Prepayments and accrued income	92,400	88,046
Deferred tax asset	32,146	32,146
	<u>1,699,354</u>	<u>2,005,851</u>

### 4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Bank overdraft	446,720	398,816
Trade creditors	133,312	136,118
Corporation tax	2,545	42,919
Other taxation and social security	89,686	141,370
Other creditors	252,172	549,445
Accruals and deferred income	92,385	47,590
Obligations under finance leases and hire purchase contracts	4,947	10,110
	<u>1,021,767</u>	<u>1,326,368</u>

The company's banks hold a first legal charge over the company's leasehold properties as security for any indebtedness to them.

**PENTAGRAM DESIGN LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 2004

**5 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2004</b>	2003
	<b>£</b>	£
Amounts due under finance leases	<u><b>4,123</b></u>	<u>9,070</u>

**6 BORROWINGS**

	<b>2004</b>	2003
	<b>£</b>	£
Borrowings are repayable as follows:		
Within one year		
Amounts due under finance leases	<b>4,947</b>	10,110
After one and within two years		
Amounts due under finance leases	<b>4,123</b>	4,947
After two and within five years		
Amounts due under finance leases	<u>-</u>	<u>4,123</u>
	<u><b>9,070</b></u>	<u>19,180</u>

**7 SHARE CAPITAL**

	<b>2004</b>	2003
	<b>£</b>	£
Authorised		
105,007 ordinary shares of £1 each	<u><b>105,007</b></u>	<u>105,007</u>
Allotted, called up and fully paid		
105,007 ordinary shares of £1 each	<u><b>105,007</b></u>	<u>105,007</u>

**8 RESERVES**

	<b>Profit and loss account £</b>
At 1 October 2003	1,318,224
Profit for the year	7,330
At 30 September 2004	<u><b>1,325,554</b></u>

# PENTAGRAM DESIGN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 2004

### 9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit for the financial year	7,330	45,021
Net increase in shareholders' funds	7,330	45,021
Shareholders' funds at 1 October 2003	1,423,231	1,378,210
Shareholders' funds at 30 September 2004	1,430,561	1,423,231

### 10 TURNOVER AND OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover represents invoices rendered for services excluding value added tax. Turnover and operating profit are all in respect of the company's principal activity.

No geographical analysis of turnover has been given as the directors are of the opinion that the disclosure of such information would be prejudicial to the interest of the business.

### 11 OPERATING COSTS

	2004 £	2003 £
Staff costs (see note 12)	2,619,202	2,721,003
Other external charges and operating costs	2,283,448	2,170,100
Change in work-in-progress	68,129	32,000
Fees paid to associated consultant companies (see note 12)	253,330	362,714
Depreciation of tangible fixed assets		
- owned	97,574	95,018
- under finance leases	10,796	16,885
	5,332,479	5,397,720

Operating costs includes the following charges:

Directors' remuneration	1,176,321	1,253,767
Auditors' remuneration	25,091	16,755
Hire of equipment	11,594	9,310



**PENTAGRAM DESIGN LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 2004

**12 DIRECTORS AND EMPLOYEES**

Staff costs (including directors) during the year were as follows:

	<b>2004</b>	2003
	<b>£</b>	£
Wages and salaries	<b>2,342,729</b>	2,449,614
Social security costs	<b>262,973</b>	271,389
Other pension costs	<b>13,500</b>	-
	<b><u>2,619,202</u></b>	<u>2,721,003</u>

The average number of employees (including directors) of the company during the year was:

	<b>2004</b>	2003
	<b>Number</b>	Number
Design	<b>29</b>	28
Administration	<b>21</b>	20
	<b><u>50</u></b>	<u>48</u>

Remuneration in respect of directors was as follows:

	<b>2004</b>	2003
	<b>£</b>	£
Emoluments	<b><u>1,176,321</u></b>	<u>1,253,767</u>

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

	<b>2004</b>	2003
	<b>£</b>	£
Emoluments	<b><u>193,544</u></b>	<u>240,000</u>

The result for the year is after charging fees payable to the following companies in which certain directors were materially interested, for services rendered. These are detailed below:

<b>Name of company/business</b>	<b>Director holding an interest</b>	<b>Nature of business</b>	<b>2004</b>	2003
			<b>£</b>	£
Rosenny Limited	D Hillman	Director and shareholder	<b>169,490</b>	233,754
McConnell Design Limited	J McConnell	Director and shareholder	<b>83,840</b>	128,960
			<b><u>253,330</u></b>	<u>362,714</u>

**PENTAGRAM DESIGN LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 2004

**13 INTEREST PAYABLE**

	<b>2004</b>	2003
	<b>£</b>	£
Bank interest	<b>15,288</b>	7,182
Finance charges in respect of finance leases	<b>2,164</b>	3,254
	<b><u>17,452</u></b>	<u>10,436</u>

**14 TAX ON PROFIT ON ORDINARY ACTIVITIES**

The tax charge is based on the profit for the year and represents:

	<b>2004</b>	2003
	<b>£</b>	£
Current tax:		
United Kingdom corporation tax on profits for the year	<b>2,545</b>	42,716
Adjustments in respect of previous period	<b>(203)</b>	-
	<b><u>2,342</u></b>	<u>42,716</u>
Deferred tax	<b>-</b>	(10,709)
	<b><u>2,342</u></b>	<u>32,007</u>

Factors affecting tax charge for period:

The tax assessed for the period is higher than the standard rate of corporation tax in the United Kingdom of 30% (2003: 30%). The differences are explained as follows:

	<b>2004</b>	2003
	<b>£</b>	£
Profit on ordinary activities before taxation	<b><u>9,672</u></b>	<u>77,028</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom 30% (2003: 30%)	<b>2,902</b>	23,108
Effect of:		
Expenses not deductible for tax purposes	<b>13,971</b>	14,629
Capital allowances for the year in excess of depreciation	<b>2,721</b>	7,690
Double tax relief	<b>(9,864)</b>	-
Prior year adjustments	<b>(203)</b>	-
Higher rate taxes	<b>(7,184)</b>	(2,711)
Current tax charge for year	<b><u>2,342</u></b>	<u>42,716</u>

**PENTAGRAM DESIGN LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 2004

**15 CAPITAL COMMITMENTS**

The company had no capital commitments at 30 September 2004 or 30 September 2003.

**16 CONTINGENT LIABILITIES**

There were no contingent liabilities at 30 September 2004 or 30 September 2003.

**17 RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	2004 £	2003 £
Operating profit	27,125	87,464
Depreciation	108,370	111,903
Foreign exchange difference on the retranslation of fixed assets	667	(314)
Profit on sale of tangible fixed assets	(15,966)	-
Decrease in work in progress	68,129	32,000
Decrease/(increase) in debtors	13,546	(95,694)
Decrease in creditors	(306,968)	(321,719)
Net cash outflow from operating activities	<u>(105,097)</u>	<u>(186,360)</u>

**18 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	2004 £	2003 £
Increase/(decrease) in cash in the year	83,632	(526,237)
Cash outflow from finance leases	10,110	15,260
Change in net debt resulting from cash flows	93,742	(510,977)
Net funds at 1 October 2003	<u>(376,268)</u>	134,709
Net funds at 30 September 2004	<u>(282,526)</u>	<u>(376,268)</u>

**19 ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 Oct 2003 £	Cash flow £	At 30 Sep 2004 £
Cash in hand and at bank (net of overdraft)	(357,088)	83,632	(273,456)
Finance leases	(19,180)	10,110	(9,070)
Net funds	<u>(376,268)</u>	<u>93,742</u>	<u>(282,526)</u>

# PENTAGRAM DESIGN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 2004

### 20 LEASING COMMITMENTS

Operating lease payments amounting to £321,373 (2003: £279,551) are due within one year. The leases to which these amounts relate expire as follows:

	2004		2003	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	-	4,318	-	-
Between one and five years	272,000	45,043	252,000	27,551
	<u>272,000</u>	<u>49,361</u>	<u>252,000</u>	<u>27,551</u>

### 21 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of this company is Pentagram Design AG a company incorporated in Switzerland.

Pentagram Design AG is the company's controlling and ultimate controlling related party by virtue of its controlling shareholding in Pentagram Design Limited.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Pentagram Design AG, incorporated in Switzerland. Copies of the group accounts can be obtained at the registered office of Pentagram Design AG in Switzerland.

### 22 TRANSACTIONS WITH DIRECTORS AND OTHER RELATED PARTIES

#### a) Transactions with directors

There were no transactions with directors other than those disclosed in notes 11 and 12, and as noted below.

The company leases its business premises from joint owners who include some of the directors. The total rent paid during the year amounted to £257,000 (2003: £156,575).

# **PENTAGRAM DESIGN LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 2004

---

### **TRANSACTIONS WITH DIRECTORS AND OTHER RELATED PARTIES (CONTINUED)**

Amounts due in respect of directors' current accounts:

<b>Name of director</b>	<b>Amount outstanding</b>		<b>Maximum liability during the year</b>
	<b>2004</b>	<b>2003</b>	
	<b>£</b>	<b>£</b>	<b>£</b>
D Weil	<b>10,438</b>	5,185	<b>10,438</b>
J Rushworth	<b>2,792</b>	2,672	<b>7,518</b>
D Hillman	<b>10,644</b>	14,539	<b>16,328</b>
J McConnell	<b>6,242</b>	2,957	<b>7,219</b>
J Oehler	<b>2,679</b>	3,574	<b>6,737</b>
L Apicella	<b>7,058</b>	5,682	<b>9,108</b>
A Hyland	<b>2,523</b>	3,860	<b>7,430</b>
F Gutierrez	<b>3,648</b>	-	<b>4,444</b>

b) Transactions with other related parties

As a wholly owned subsidiary of Pentagram Design AG, the company is exempt from the requirements of Financial Reporting Standard No 8 to disclose transactions with other members of the group headed by Pentagram Design AG.

Consolidated accounts are available from the registered office of Pentagram Design AG in Switzerland.