

CHROMAGRAPHERICS LIMITED

REPORT AND ACCOUNTS

31 MARCH 1997

Registered No. 2038726



CHROMAGRAPHS LIMITED

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* These pages do not form part of the statutory accounts.

CHROMAGRAPHS LIMITED

DIRECTORS' REPORT

Directors

Mr N K Hingley
Mr A Howell

The directors present their annual report together with the accounts of the company for the year ended 31 March 1997.

Activities

The principal activity of the company throughout the year was the design and production of advertisements, packaging and publications.

Results and dividends

The profit for the year after taxation amounted to £6448 and this amount has been transferred to reserves. No dividend payment is proposed.

Review of the business and future prospects

The results for the year and the financial position at the year-end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Directors and their interests

The directors shown above served on the Board throughout the year.

The directors at 31 March 1997 had the following beneficial interests in the share capital of the company:

	<u>At 31 March 1997</u>	<u>At 1 April 1996</u>
	<u>Ordinary shares of £1 each</u>	
Mr N K Hingley	95	95
Mr A Howell	5	5

In accordance with the Articles of Association the directors are not required to retire by rotation.

CHROMAGRAPHS LIMITED

DIRECTORS' REPORT (continued)

Statement of directors' responsibilities

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;

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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Auditors

The directors have decided to take advantage of the provisions of Section 249A of the Companies Act 1985 and therefore an audit has not been carried out for the period under review.

By order of the Board

20 January 1998

Mr D Hingley
Secretary



CHROMAGRAPHS LIMITED

BALANCE SHEET

31 MARCH 1997

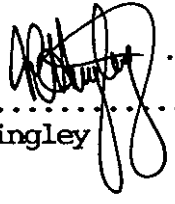
	<u>Notes</u>	<u>£</u>	<u>1997</u>	<u>£</u>	<u>1996</u>	<u>£</u>
Tangible fixed assets	2		3306		4111	
Current assets						
Stock and work in progress		1538		350		
Debtors	3	20692		13484		
Cash at bank and building society		5482		8566		
		<u>27712</u>		<u>22400</u>		
Creditors (amounts falling due within one year)	4	2914		4855		
Net current assets			<u>24798</u>		<u>17545</u>	
Total assets less current liabilities			<u>28104</u>		<u>21656</u>	
Capital and reserves						
Called up share capital - equity interests	5		100		100	
Profit and loss account	6		28004		21556	
Shareholders' funds	7		<u>28104</u>		<u>21656</u>	

For the year ending 31 March 1997 the company was entitled to exemption under Subsection (1) of Section 249A of the Companies Act 1985.

No notice has been deposited under Subsection (2) of Section 249B of the Act in relation to the accounts for the financial period.

We acknowledge our responsibilities as directors 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 period and of its profit or loss for the financial period in accordance with the requirements of Section 226 of the Act, and which otherwise comply with the requirements of the Act relating to the accounts, so far as applicable to the company.


..... Director
N K Hingley

CHROMAGRAPHS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 1997

	<u>Notes</u>	<u>£</u>	<u>1997</u>	<u>£</u>	<u>£</u>	<u>1996</u>	<u>£</u>
Turnover - continuing operations	8		31702			22135	
Cost of sales			(9716)			(7447)	
Gross profit			21986			14688	
Distribution costs		338			389		
Administrative costs		15375			22095		
			(15713)			(22484)	
Operating profit (loss) - continuing operations	9		6273			(7796)	
Interest receivable			250			704	
			6523			(7092)	
Interest payable	11		(15)			(40)	
Profit (loss) on ordinary activities before taxation			6508			(7132)	
Tax on ordinary activities	12		(60)			-	
Profit (loss) for the financial year	6		6448			(7132)	

There are no recognised gains and losses in the year other than the profit for the year.

CHROMAGRAPHS LIMITED

NOTES TO THE ACCOUNTS

31 MARCH 1997

1 Accounting policies

Basis of accounting

The accounts of the company are prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation of tangible fixed assets

Depreciation is provided on a straight line basis to write off the cost of the assets over their expected useful economic lives, as follows:

Furniture and equipment	20%
Motor vehicles	25%

Stock and work in progress

Stock and work in progress are stated at the lower of cost and net realisable value as consistent with previous years. Work in progress comprises the cost of direct materials and labour plus attributable indirect overhead expenses.

Leasing

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

2 Tangible fixed assets

	<u>Furniture and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£
Cost			
At 1 April 1996	20096	795	20891
Additions	704	-	704
	<hr/>	<hr/>	<hr/>
At 31 March 1997	20800	795	21595
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 1996	15988	792	16780
Charge for the year	1509	-	1509
	<hr/>	<hr/>	<hr/>
At 31 March 1997	17497	792	18289
	<hr/>	<hr/>	<hr/>
Net book values			
At 31 March 1997	3303	3	3306
	<hr/>	<hr/>	<hr/>
At 31 March 1996	4108	3	4111
	<hr/>	<hr/>	<hr/>

CHROMAGRAPHS LIMITED

NOTES TO THE ACCOUNTS

31 MARCH 1997

3	Debtors	<u>1997</u>	<u>1996</u>
		£	£
	Due within one year		
	Trade debtors	15656	12984
	Prepayments	280	356
	Other debtors	4756	144
		<hr/>	<hr/>
		20692	13484
		<hr/>	<hr/>
4	Creditors (amounts falling due within one year)	<u>1997</u>	<u>1996</u>
		£	£
	Trade creditors	1953	3790
	Corporation tax	60	-
	Other taxation and social security	284	458
	Accruals	617	607
		<hr/>	<hr/>
		2914	4855
		<hr/>	<hr/>
5	Share capital	<u>1997</u>	<u>1996</u>
		£	£
	Authorised, allotted, issued and fully paid		
	Ordinary shares of £1 each	100	100
		<hr/>	<hr/>
6	Profit and loss account		
		£	
	At 1 April 1996	21556	
	Profit for the year	6448	
		<hr/>	
	At 31 March 1997	28004	
		<hr/>	
7	Reconciliation of movements in shareholders' funds	<u>1997</u>	<u>1996</u>
		£	£
	Profit (loss) for the financial year	6448	(7132)
	Opening shareholders' funds	21656	28788
		<hr/>	<hr/>
	Closing shareholders' funds	28104	21656
		<hr/>	<hr/>

CHROMAGRAPHS LIMITED

NOTES TO THE ACCOUNTS

31 MARCH 1997

8 Analysis of turnover and profit (loss)

Turnover represents sales to customers at invoiced amounts excluding value added tax.

The turnover and profit (loss) before taxation are attributable to the company's main activity wholly carried out within the United Kingdom.

9 Operating profit (loss)

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Operating profit (loss) is stated after charging:		
Staff costs (note 10)	8367	11662
Depreciation of owned fixed assets	1509	1641
Operating lease rentals - land and buildings	-	2340
	<u> </u>	<u> </u>

10 Staff costs

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Salaries	7700	10778
Social security costs	667	884
	<u> </u>	<u> </u>
	8367	11662
	<u> </u>	<u> </u>

Average number of employees by category

	<u>Number</u>	<u>Number</u>
Secretarial	1	1
Management	2	2
	<u> </u>	<u> </u>
	3	3
	<u> </u>	<u> </u>
Directors' emoluments:	£	£
Aggregate emoluments	8250	11128
	<u> </u>	<u> </u>

11 Interest payable

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
On bank overdraft wholly repayable within five years	15	40
	<u> </u>	<u> </u>

CHROMAGRAPHS LIMITED

NOTES TO THE ACCOUNTS

31 MARCH 1997

12 Taxation

<u>1997</u>	<u>1996</u>
£	£

UK corporation tax at 24% on the taxable
profit for the year

60	-
<hr/>	<hr/>

13 Capital commitments

<u>1997</u>	<u>1996</u>
£	£

Expenditure contracted but not
provided in the accounts

-	-
<hr/>	<hr/>

14 Related party

For the whole year the company was under the control of Mr N K Hingley, the major shareholder and managing director of the company.

15 Cashflow statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a cashflow statement for the year.

16 Board approval

The accounts for the year were formally approved by the directors on 20 January 1998.