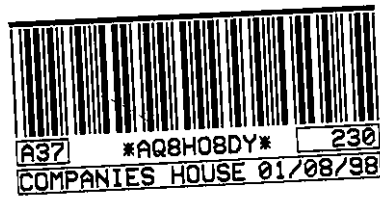


Abbreviated Financial Statements

for the Year Ended 31 July 1997

for

Design Directions Limited



Design Directions Limited

Index to the Abbreviated Financial Statements  
for the Year Ended 31 July 1997

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

Design Directions Limited

Company Information  
for the Year Ended 31 July 1997

**DIRECTORS:** M P Ballard  
S T Wilson

**SECRETARY:** Mr G S Martin

**REGISTERED OFFICE:** Flagstaff House  
12 High Street  
Twyford  
Reading  
RG10 9AE

**REGISTERED NUMBER:** 2599567 (England and Wales)

**AUDITORS:** Kirkpatrick & Hopes  
Registered Auditors  
Overdene House  
49 Church Street  
Theale  
Reading  
RG7 5BX

Design Directions Limited

Report of the Auditors to  
Design Directions Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages three to five, together with the full financial statements of the company for the year ended 31 July 1997 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

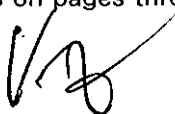
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to five are properly prepared in accordance with those provisions.



Kirkpatrick & Hopes  
Registered Auditors  
Overdene House  
49 Church Street  
Theale  
Reading  
RG7 5BX

Dated: 22 July 1998

Design Directions Limited

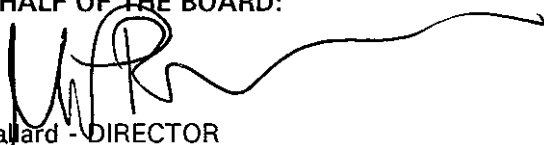
Abbreviated Balance Sheet

31 July 1997

		31.7.97		31.7.96	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	2		45,165		41,503
<b>CURRENT ASSETS:</b>					
Stocks		21,280		19,143	
Debtors		135,566		180,846	
Cash at bank		26,567		38,360	
		183,413		238,349	
<b>CREDITORS:</b> Amounts falling due within one year		100,560		135,278	
<b>NET CURRENT ASSETS:</b>			82,853		103,071
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			£128,018		£144,574
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	3		2		2
Profit and loss account			128,016		144,572
Shareholders' funds			£128,018		£144,574

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:



M P Ballard - DIRECTOR

Approved by the Board on 22 July 1998

Design Directions Limited

Notes to the Abbreviated Financial Statements  
for the Year Ended 31 July 1997

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Turnover**

Turnover represents net invoiced work done, net of value added tax and adjusted for work in progress.

**Tangible fixed assets**

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

Computer equipment	- 25% on cost
Motor vehicles	- 25% on reducing balance
Furniture & equipment	- 15% on reducing balance

**Stocks**

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Pensions contributions**

The company operates a defined contribution pension scheme for its directors. Contributions are charged to the profit and loss account as and when they become payable.

Design Directions Limited

Notes to the Abbreviated Financial Statements  
for the Year Ended 31 July 1997

2. TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
<b>COST:</b>	
At 1 August 1996	119,450
Additions	26,880
Disposals	<u>(22,296)</u>
At 31 July 1997	<u>124,034</u>
<b>DEPRECIATION:</b>	
At 1 August 1996	77,945
Charge for year	15,738
Eliminated on disposals	<u>(14,814)</u>
At 31 July 1997	<u>78,869</u>
<b>NET BOOK VALUE:</b>	
At 31 July 1997	<u>45,165</u>
At 31 July 1996	<u><u>41,503</u></u>

3. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.7.97	31.7.96
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.7.97	31.7.96
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>