

CTV UK LIMITED

268 6365

FINANCIAL STATEMENTS
YEAR ENDED 28TH FEBRUARY 1997

T SAVAGE & CO.
CHARTERED CERTIFIED ACCOUNTANTS



CTV UK LIMITED

DIRECTORS

Mr Barry Gunston

COMPANY SECRETARY

Mr David Watts

BANKERS

National Westminster
341 Queenstown Road
London SW8 4LJ.

ACCOUNTANTS

T Savage & Co.
Chartered Certified Accountants
7 Castlemaine Avenue
Gillingham
Kent ME7 2QA

CTV UK LIMITED
INDEX TO THE FINANCIAL STATEMENTS
YEAR ENDED 28TH FEBRUARY 1997

INDEX

Page

1-2	Report of the directors
3	Accountants' Report to Members
4	Profit and Loss Account
5	Balance Sheet
6	Detailed Trading and Profit and Loss Account
7-9	Notes to the Financial Statements

CTV UK LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and accounts for the year ended 28th February 1997.

STATEMENTS 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 year. In preparing those financial statements we 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.

We 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 1995.

We 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.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of importers of garments as agents.

RESULTS

The profit of the company for the year was £16,178 (1996 £13,787).

No dividend was paid during the year.

DIRECTORS

The directors and their beneficial interest in the shares of the company during the year were as follows:

	Ordinary shares of £1 each	
	1997	1996
Mr Barry Gunston	2	2

CTV UK LIMITED
REPORT OF THE DIRECTORS (CONT)

TAXATION

In the opinion of the directors, the company is a close company within the meaning of the Income and Corporation Tax Act 1970 (as amended)

SMALL COMPANY

The company qualifies as a small company under the Companies Act 1985. The directors have taken advantage, in the preparation of their report, of the exemptions applicable to small companies.

AUDITORS

It is proposed that the company's present auditors, T Savage & Co., be reappointed as auditors to the company to hold office for the ensuing year.

By order of the Board


Secretary

.....18/11/97.
Date

ACCOUNTANTS' REPORT TO THE MEMBERS OF

CTV UK LIMITED

We report on the accounts for the year ended 28th February 1997 set out on pages 4 to 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 1 the company's directors are responsible for the preparation of the accounts, and they considers that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

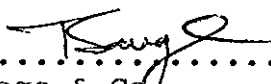
BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for reporting accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- a) The accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1995.
- b) Having regard only to, and on the basis of, the information contained in those accounting records.
 - i the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - ii the company satisfied the conditions for exemption from audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)

.....
T Savage & Co
Chartered Certified Accountants
7 Castlemaine Avenue
Gillingham
Kent ME7 2QA

...22/12/97
Date

CTV UK LIMITED
 PROFIT AND LOSS ACCOUNT
 YEAR ENDED 28TH FEBRUARY 1997

		1997	1996
	Note	£	£
TURNOVER	2	124,550	144,826
COST OF SALES		61,737	99,029
GROSS PROFIT		<u>62,813</u>	<u>45,797</u>
Administrative Expenses		(47,780)	(33,074)
Interest Payable		-	(65)
OPERATING PROFIT		<u>15,033</u>	<u>12,658</u>
Other Operating Income	5	<u>1,145</u>	<u>1,129</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		16,178	13,787
Tax on Profit on Ordinary Activities	6	(4,044)	(3,546)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>12,134</u>	<u>10,241</u>
BALANCE CARRIED FORWARD		<u>12,134</u>	<u>10,241</u>
STATEMENTS OF RETAINED PROFIT			
Retained Profit brought forward		11,066	825
Retained Profit for the year		<u>12,134</u>	<u>10,241</u>
Retained Profit Carried Forward		<u>23,200</u>	<u>11,066</u>

CONTINUING OPERATIONS

None of the Company's Activities were aquired or discontinued during the above financial years.

CTV UK LIMITED
BALANCE SHEET
AS AT 28TH FEBRUARY 1997

			<u>1997</u>	<u>1996</u>
	Note	£	£	£
FIXED ASSETS				
Tangible Assets	10		2,238	2,145
CURRENT ASSETS				
Debtors	11	15,942	21,023	
Cash at bank and in Hand		34,628	20,200	
		<u>50,570</u>	<u>41,223</u>	
		=====	=====	
Creditors-amounts falling due within one year	7	29,606	18,404	
		<u>=====</u>	<u>=====</u>	
NET CURRENT ASSETS			<u>20,964</u>	<u>22,819</u>
			=====	=====
TOTAL ASSETS LESS CURRENT LIABILITIES			23,202	24,964
			=====	=====
Creditors-amounts falling due after more than one year	8		-	13,896
			<u>23,202</u>	<u>11,068</u>
			=====	=====

CTV UK LIMITED
BALANCE SHEET (CONT)

		<u>1997</u>	<u>1996</u>
CAPITAL AND RESERVES			
Called up Share Capital	9	2	2
Reserves			
Profit and Loss Account		23,200	11,066
		<u>23,202</u>	<u>11,068</u>
Shareholders' Funds		<u>23,202</u>	<u>11,068</u>

For the year in question the company was entitled to the exemption conferred by subsection (1) of section 249A.

No Notice (from members requiring an audit) has been deposited under subsection (2) of section 249B in relation to its accounts for the financial year.

That the directors acknowledge their responsibilities for:-

- 1) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- 2) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its Profit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

Advantage has been taken of the exemptions conferred by section A of Part 3 of Schedule 8, and in the opinion of the directors, the company is entitled to those exemptions on the basis that it qualifies as a small company.

..... Director

Date.....

18th November 1997

CTV UK LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

YEAR ENDED 28TH FEBRUARY 1997

	1997		1996	
	£	£	£	£
SALES		124,550		144,826
COST OF SALES				
Purchases & Freight Charges		61,737		99,029
		<hr/>		<hr/>
		62,813		45,797
Bank Deposit Interest		1,145		1,129
		<hr/>		<hr/>
		63,958		46,926
LESS OVERHEADS				
Directors Remuneration	17,150		16,750	
Employment Cost	652		—	
Underprovision of Tax & NI.	9,354		—	
Telephone	1,191		1,469	
Motor & Travelling	4,745		2,796	
Printing, Postage & Stationery	1,229		742	
Light & Heat	42		25	
Rent & Rates	5,198		4,615	
Sundry Expenses	425		188	
Bank Charges	582		119	
Accommodation & Overseas Travelling	3,865		4,064	
Accountancy Charges	1,000		1,000	
Bookkeeping	1,330		—	
Interest Payable	—		65	
Fines	—		592	
Repairs & Renewals	119		—	
Wrapping Bags	152		—	
Depreciation	746		714	
	<hr/>	47,780	<hr/>	33,139
NET PROFIT FOR THE YEAR		<hr/>		<hr/>
		16,178		13,787
		=====		=====

NOTES TO THE FINANCIAL STATEMENTS

CTV UK LIMITED

YEAR ENDED 28TH FEBRUARY 1997

Accounting Policies

- a. Convention
These financial statements have been prepared in accordance with historical cost convention. The principal accounting policies which the directors have adopted within that convention are set out below.
- b. Turnover
Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and value added tax.
- c. Tangible Fixed Assets and Depreciation
Depreciation is provided on the reducing balance method at the following rates per annum:-
Office Equipment 25% per annum

Turnover

Turnover represents the invoiced amount of goods and services provided stated net of value added tax. These include commission as agents and invoiced value of goods supplied.

Operating Profit

	1997	1996
	£	£
This is stated after charging:		
Depreciation	746	714
Accountancy	1,000	1,000

4. The average weekly number of employees during the year was made up as follows:
Office and Management 1
No 1

CTV UK LIMITEDNOTES TO THE FINANCIAL STATEMENTSYEAR ENDED 28TH FEBRUARY 1997

5.	OTHER OPERATING INCOME	1997 £	1996 £
	Bank Interest Received	1,145 =====	1,129 =====
6.	TAXATION		
	The tax charge on the Profit on Ordinary Activities for the year was as follows:	1997 £	1996 £
	UK Corporation Tax at 25%	4,044 =====	3,546 =====
7.	CREDITORS		
	Amounts falling due within one year:		
	Trade Creditors	6,532	6,050
	Directors Current Account	-	1,253
	Corporation Tax	7,460	3,546
	Bank Overdraft	-	6,087
	Accruals	1,150	1,468
	Other taxes and Social Security	14,464	-
		29,606 =====	18,404 =====
8.	CREDITORS		
	Amounts falling due after more than one year:		
	Loan	-	13,896
		- =====	13,896 =====
9.	SHARE CAPITAL		
	AUTHORISED		
	100 Ordinary Shares of £1 each	100	100
		=====	=====
	ISSUED AND FULLY PAID		
	2 Ordinary Shares of £1 each	2	2
		=====	=====

CTV UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 28TH FEBRUARY 1997

10. Tangible Fixed Assets

	<u>Office Equipment</u>	<u>Total</u>
<u>COST</u>	£	£
At 1st March 1996	2,881	2,881
Additions	839	839
At 28th February 1997	<u>3,720</u>	<u>3,720</u>
 <u>DEPRECIATION</u>		
At 1st March 1996	736	736
Charge for the year	746	746
At 28th february 1997	<u>1,482</u>	<u>1,482</u>
 Net book value		
At 28th February 1997	<u>2,238</u>	<u>2,238</u>
 At 28th February 1996	<u>2,145</u>	<u>2,145</u>

11. Debtors

	1997	1996
	£	£
Trade debtors	15,390	20,488
Sundry Debtors	—	535
Customs & Excise	552	—
	<u>15,942</u>	<u>21,023</u>