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**Circuit Graphics Limited**  
**Financial Statements**  
**for the year ended 31st December 1997**



**Registered Office**

Unit 5, Rosshill Industrial Park  
Sutton Road  
Southend-on-Sea  
Essex  
SS2 5PZ

**Directors**

Mr R J Butler  
Mr J G P D'Eca  
Mr G P Jordan

**Secretary**

Mr R J Butler

**Reporting Accountants**

Wilkins Kennedy  
1 Nelson Street  
Southend on Sea  
Essex  
SS1 1EG

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**Directors' Report**

**for the year ended 31st December 1997**

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The directors submit their report together with the unaudited financial statements for the year ended 31st December 1997.

**Directors' Statement**

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 for that year. 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;

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 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.

**Principal Activity**

The principal activity of the company continued to be that of design graphics and precision copying.

**Directors and their Interests**

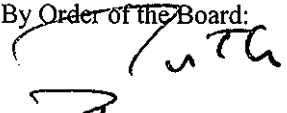
The directors who served during the year and their beneficial interests in the share capital of the company were as follows:

	Ordinary Shares of £1 Each	
	1997	1996
	No.	No.
Mr R J Butler	1,000	1,000
Mr J G P D'Eca	1,000	1,000
Mr G P Jordan	1,000	1,000

**Exemption Statement**

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board:

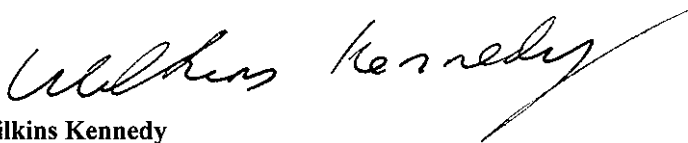
  
Mr R J Butler, Secretary

30th March 1998

**Accountants' Report to the Directors**  
**on the Unaudited Accounts of Circuit Graphics Limited**

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As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st December 1997, set out on pages 3 to 6 and you consider that the company is exempt from an audit and a report under Section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

  
**Wilkins Kennedy**  
**Reporting Accountants**

30th March 1998

**1 Nelson Street**  
**Southend on Sea**  
**Essex**  
**SS1 1EG**

**Circuit Graphics Limited****Profit and Loss Account****for the year ended 31st December 1997**

	Notes	1997 £	1996 £
<b>Turnover</b>	2	169,047	111,355
Cost of sales		(83,098)	(78,417)
<b>Gross profit</b>		85,949	32,938
Administrative expenses		(69,649)	(51,803)
<b>Profit/(Loss) on ordinary activities before Taxation</b>		16,300	(18,865)
Retained loss brought forward		(18,865)	-
<b>Retained (loss) carried forward</b>		(2,565)	(18,865)

*All amounts relate to continuing activities.*

*There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.*

**Circuit Graphics Limited**

**Balance Sheet**

**as at 31st December 1997**

	Notes	£	1997 £	£	1996 £
<b>Current Assets</b>					
Stock	5	3,125		880	
Debtors	6	37,259		32,969	
Cash at bank		16,400		16,787	
		<u>56,784</u>		<u>50,636</u>	
<b>Creditors:</b>					
Amounts falling due within one year	7	(56,349)		(66,501)	
<b>Net Current Assets/(Liabilities)</b>			435		(15,865)
			<u>435</u>		<u>(15,865)</u>
<b>Capital and Reserves</b>					
Called up share capital	8		3,000		3,000
Profit and loss account			(2,565)		(18,865)
<b>Equity Shareholders' Funds</b>	9		<u>435</u>		<u>(15,865)</u>

In the directors' opinion the company was entitled under Section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31st December 1997. No notice from members requiring an audit has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its accounts for the financial year.

The directors acknowledge their responsibilities for: ensuring that the company keeps accounting records which comply with Section 221; and for preparing accounts which give a true and fair view of the state of the affairs of the company as at 31st December 1997 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These accounts were approved by the board on 30th March 1998.

Mr R-J Butler



**Directors**

## Notes to the Financial Statements

for the year ended 31st December 1997

**1 Principal Accounting Policies***Accounting Convention*

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

*Cash Flow Statement*

In the opinion of the directors the company qualifies as a small company and accordingly a cash flow statement is not required.

*Turnover*

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

*Stocks*

Stocks are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

**2 Turnover**

The turnover and operating profit/(loss) for the year was derived from the company's principal activity as was carried out wholly in the UK.

**3 Operating Profit/(Loss)**

*The operating profit/(loss) is stated after charging or crediting:*

	1997	1996
	£	£
Amounts payable to the auditors in respect of audit services	-	1,250

**5 Stocks**

	1997	1996
	£	£
Stocks	3,125	880

**6 Debtors**

	1997	1996
	£	£
Trade debtors	36,384	32,969
Other debtors	875	-
	37,259	32,969



**Notes to the Financial Statements**

**for the year ended 31st December 1997**

<b>7</b>	<b>Creditors: Amounts falling due within one year</b>	<b>1997</b>	<b>1996</b>
		<b>£</b>	<b>£</b>
	Trade creditors	7,382	4,312
	Other creditors	48,967	62,189
		<u>56,349</u>	<u>66,501</u>

<b>8</b>	<b>Share Capital</b>		
	<b>Authorised</b>	<b>1997</b>	<b>1996</b>
		<b>£</b>	<b>£</b>
	10,000 Ordinary Shares of £1 Each (1996: 10,000)	10,000	10,000
		<u>10,000</u>	<u>10,000</u>
	<b>Allotted and fully paid</b>	<b>1997</b>	<b>1996</b>
		<b>£</b>	<b>£</b>
	3,000 Ordinary Shares of £1 Each (1996: 3,000)	3,000	3,000
		<u>3,000</u>	<u>3,000</u>

<b>9</b>	<b>Reconciliation of the Movement in Shareholders' Funds</b>	<b>1997</b>	<b>1996</b>
		<b>£</b>	<b>£</b>
	Profit/(Loss) for the financial year	16,300	(18,865)
	New share capital subscribed	-	2,900
	Increase/(Decrease) in shareholders' funds	16,300	(15,965)
	Opening shareholders' funds	(15,865)	100
	Closing shareholders' funds	<u>435</u>	<u>(15,865)</u>

**10 Related Party Transactions**

Details of related party transactions occurring during the year are as follows:

<b>Name of related party</b>	<b>Nature of Relationship</b>	<b>Transaction Details</b>	<b>Amount</b>	<b>Balance</b>
			<b>£</b>	<b>£</b>
Circuit Graphics	Owned by Directors of Circuit Graphics Limited	Machinery Usage	51,090	-
		Overheads Recharged	15,513	-
		Loan Account	-	(46,514)