

PRINT DESIGNS (WILMSLOW) LIMITED
COMPANY NUMBER : 3266514

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PRINT DESIGNS (WILMSLOW) LIMITED
DIRECTORS' REPORT

The director presents his annual report and the audited accounts for the year ended 31st December 1998.

Results and Dividends

Results for the year are as set out in detail on page 3.

Review of Business

The company's principal activity during the year was that of operating in graphic design for printing, advertising and promotional purposes.

Fixed Assets

The changes in fixed assets during the year are summarised in the notes to the accounts.

Directors and their Interests

The director at 31st December 1999 and his interest in the share capital of the company was as follows :-

E.Gascoyne

1

Auditors

In accordance with section 384 of the Companies Act 1985, a resolution for the re-appointment of Robin B Blackburn & Co., as auditors of the company is to be put to the Members at the Annual General Meeting.

By Order of the Board



E.Gascoyne (Director)

Registered Office :-

54 Old Wool Lane
Cheadle Hulme
Cheshire
SK8 5JA

April 30th 1999

AUDITORS' REPORT TO THE MEMBERS OF
PRINT DESIGNS (WILMSLOW) LIMITED
YEAR ENDED 31ST DECEMBER 1998

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion based on our audit on those statements and to report that opinion to you.

BASIS OF OPINION

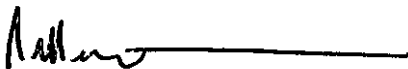
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes the examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

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 assurances that the financial statements are free from material mis-statement, 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1998 and of its Profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



May 10th 1999

Robin B Blackburn & Co.,
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

Field House
Adlington Road
Wilmslow
Cheshire SK9 2BJ

PRINT DESIGNS (WILMSLOW) LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31, DECEMBER 1998

				<u>1997</u>	
	Notes	£	£	£	£
Turnover	2		231,638		125,580
Cost of sales			<u>79,959</u>		<u>42,697</u>
GROSS PROFIT			151,679		82,883
Overhead Expenses		138,704		90,758	
Bank and Building Society Interest		<u>2,176</u>		<u>1,500</u>	
			<u>140,880</u>		<u>92,258</u>
Operating Profit/(Loss) before tax	3		10,799		(9,375)
Taxation	6		<u>161</u>		<u>-</u>
Profit/(Loss) after tax			10,638		(9,375)
Accumulated (Loss) b/fwd			(9,375)		-
Accumulated Profit c/fwd			<u>1,263</u>		<u>(9,375)</u>

PRINT DESIGNS (WILSMLOW) LIMITED
BALANCE SHEET AS AT 31, DECEMBER 1998

		£	£	£	<u>1997</u>	£
	<u>Notes</u>					
<u>Fixed Assets</u>						
Tangible Assets	7		10,129			8,382
Goodwill			15,866			15,866
<u>Current Assets</u>						
Stock and Work in Progress		3,324		3,277		
Debtors	8	44,761		18,414		
Cash in Hand and at Bank		859		15,242		
		<u>48,944</u>		<u>36,933</u>		
<u>Current Liabilities</u>						
Creditors : amounts falling due within one year	9	<u>31,546</u>		<u>25,309</u>		
<u>Net Current Assets</u>						
			17,398			11,624
			<u>43,393</u>			<u>35,872</u>
Creditors : amounts falling due after one year						
	10		(42,128)			(45,245)
			<u>1,265</u>			<u>(9,373)</u>
<u>Capital and Reserves</u>						
Called up share capital	11		2			2
Profit and Loss Account			1,263			(9,375)
			<u>1,265</u>			<u>(9,373)</u>



C. Gasayne .

PRINT DESIGNS (WILMSLOW) LIMITED
 STATEMENT OF SOURCE AND APPLICATION OF FUNDS
 FOR THE YEAR ENDED 31ST DECEMBER 1998

	£	£	1997	£
Source of Funds :				
Profit/(Loss) on ordinary activities after tax		10,638		(9,375)
Adjustment for items not involving the movement of funds :				
Depreciation		<u>2,532</u>		<u>1,479</u>
		13,170		(7,896)
Application of funds :				
Goodwill		-		15,866
Purchase of Tangible Assets		<u>4,279</u>		<u>9,861</u>
Increase/(Decrease) in Working Capital		<u>8,891</u>		<u>(33,623)</u>
Components of decrease in working capital :				
Stock	47		3,277	
Debtors	26,347		18,414	
Creditors	<u>(6,920)</u>		<u>(61,945)</u>	
		19,474		(40,254)
Movement in Net Liquid Funds :				
Bank Overdraft	(14,383)		15,242	
Bank Loan	<u>3,800</u>		<u>(8,611)</u>	
		(10,583)		6,631
		<u>8,891</u>		<u>(33,623)</u>

PRINT DESIGNS (WILMSLOW) LIMITED
 NOTES TO AND FORMING PART OF THE ACCOUNTS
 FOR THE YEAR ENDED 31, DECEMBER 1998

1. Accounting Policies

Accounting Convention

The accounts were prepared under the historical cost convention.

Fixed Assets and Depreciation

Fixed Assets are stated at cost and are reduced by depreciation to write off their gross value over their expected useful lives. The amounts of depreciation are as follows and are calculated on the reducing balance basis :

Fixtures and Fittings and Equipment 20%

Stock and work in progress

Stocks are stated at the lower of cost and net realisable value as follows :-

Costs incurred bringing each product to its present location and condition

Raw Materials - purchase cost on a first-in, first-out basis

Work in progress - cost of direct materials and labour plus attributable overheads on the normal level of activity.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Leasing and Hire Purchase Commitments

Assets purchased under hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of hire purchase contracts is charged to the profit and loss account.

Rentals paid under leases are charged to profit and loss account.

2. Turnover

Turnover represents the invoiced amount of work done and services provided (stated net of value added tax).

3. Operating Profit

This is stated after charging :-

		1997
	£	£
Directors' Remuneration	20,899	8,818
Auditors' Remuneration	350	350
Depreciation	2,532	1,479
	=====	=====

1997

4. Staff Costs

		1997
	£	£
Wages and salaries	56,413	46,198
	=====	=====

PRINT DESIGNS (WILMSLOW) LIMITED
 NOTES TO THE ACCOUNTS
 FOR THE YEAR ENDED 31, DECEMBER 1998

Cont'd

	<u>1998</u>	<u>1997</u>
	£	£
5. <u>Interest Payable</u>		
Bank Loans	1000	1,500
	=====	=====
6. <u>Taxation</u>	<u>1998</u>	<u>1997</u>
	£	£
Corporation Tax	161	NIL
	=====	=====
7. <u>Tangible Fixed Assets</u>		
	Equipment	Fittings and
		Fixtures
	£	
Cost		
1.2.1998	9,861	
Addition	<u>4,279</u>	
	<u>14,140</u>	
Depreciation		
1.2.1998	1,479	
Charge for the year	<u>2,532</u>	
	<u>4,011</u>	
Net Book Value	<u>10,129</u>	
	=====	
8. <u>Debtors</u>		<u>1997</u>
		£
Trade Debtors	40,036	18,414
Prepayments	<u>4,725</u>	-
	<u>44,761</u>	<u>18,414</u>
	=====	=====
9. <u>Creditors : amounts falling due within one year</u>		
		<u>1997</u>
		£
Bank Loan	4,811	4,800
Corporation Tax	1,263	1,102
Trade Creditors	20,830	14,713
Value Added Tax	1,167	1,627
Other Taxes and Social Security Costs	1,675	1,417
Accrued Expenses	<u>1,800</u>	<u>1,650</u>
	<u>31,546</u>	<u>25,309</u>
	=====	=====

PRINT DESIGNS (WILMSLOW) LIMITED
 NOTES TO THE ACCOUNTS
YEAR ENDED 31, DECEMBER 1998

Cont'd

10. Creditors : amounts falling due after one year

	<u>1998</u>	<u>1997</u>
	£	£
Bank Loan	-	3,811
Directors' Loan Account	42,128	41,434
	<u>42,128</u>	<u>45,245</u>

11. Share Capital

	1998		1997	
	Authorised, allotted Called Up & Fully Paid		Authorised, allotted Called Up & Fully Paid	
Ordinary shares of £1 each	100	2	100	2
	===	=	===	=