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PRINT DESIGNS(WILMSLOW) LIMITED

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PRINT DESIGNS (WILMSLOW) LIMITED
DIRECTORS' REPORT

The directors present their first report and the audited accounts for the period 21st October 1996 to 31st December 1997.

Incorporation

The company was incorporated on 21st October 1996.

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 period was that of operating a business 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 1997 and his interest in the share capital of the company were as follows :-

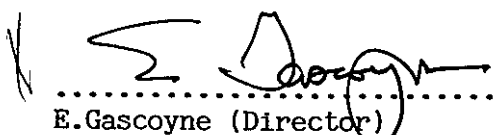
E.Gascoyne

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

August 20th 1998

AUDITORS' REPORT TO THE MEMBERS OF
PRINT DESIGNS (WILMSLOW) LIMITED
PERIOD 21ST OCTOBER 1996 TO 31ST DECEMBER 1997

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 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 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 misstatement, 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 1997 and of its Loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Robin B. Blackburn & Co.,
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

Field House
Adlington Road
Wilmslow
Cheshire SK9 2BJ

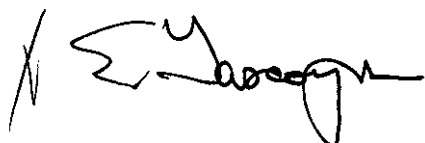
PRINT DESIGNS(WILMSLOW) LIMITED
 PROFIT AND LOSS ACCOUNT FOR THE
PERIOD 21ST OCTOBER 1996 TO 31ST DECEMBER 1997

		£	£
	<u>Notes</u>		
Turnover	2		125,580
Cost of Sales			<u>42,697</u>
GROSS PROFIT			82,883
Overhead Expenses		90,758	
Bank and Building Society Interest		<u>1,500</u>	
			<u>92,258</u>
Operating (Loss) before Taxation	3		(9,375)
Taxation	6		-
(Loss) after taxation			<u>(9,375)</u>

The notes on pages 3 to 8 form part of these accounts.

PRINT DESIGNS(WILMSLOW) LIMITED
BALANCE SHEET AS AT 31, DECEMBER 1997

		£	£
	<u>Notes</u>		
<u>FIXED ASSETS</u>			
Tangible Assets	7		8,382
Goodwill			15,866
 <u>CURRENT ASSETS</u>			
Stock and Work in Progress		3,277	
Debtors	8	18,414	
Cash in Hand and at Bank		15,242	
		<u>36,933</u>	
 <u>Current Liabilities</u>			
Creditors : amounts falling due within one year	9	25,309	
 <u>Net Current Assets</u>			11,624
			<u>35,872</u>
 Creditors : amounts falling due after one year	10		(45,245)
			<u>(9,373)</u>
 <u>Capital and Reserves</u>			
Called Up Share Capital	11		2
Profit and Loss Account			(9,375)
			<u>(9,373)</u>



PRINT DESIGNS(WILMSLOW) LIMITED
 STATEMENT OF SOURCE AND APPLICATIONS OF FUNDS
 FOR THE PERIOD 21ST OCTOBER 1996 TO 31ST DECEMBER 1997

	£	£
Source of Funds :		
(Loss) on ordinary activities after tax		(9,375)
Adjustment for items not involving the movement of funds :		
Depreciation		<u>1,479</u> (7,896)
Application of Funds :		
Purchase of Goodwill		15,866
Purchase of Tangible Assets		<u>9,861</u>
(Decrease) in Working Capital		<u>(33,623)</u>
Components of decrease in Working Capital :		
Stock	3,277	
Debtors	18,414	
Creditors	<u>(61,945)</u>	
		(40,254)
Movement in Net Liquid Funds :		
Bank Overdraft	15,242	
Bank Loan	<u>(8,611)</u>	
		<u>6,631</u> <u>(33,623)</u>

The notes on pages 6 to 8 form part of these accounts.

PRINT DESIGNS(WILMSLOW) LIMITED
 NOTES TO THE ACCOUNTS
 FOR THE PERIOD 21ST OCTOBER 1996 TO 31ST DECEMBER 1997

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 amount 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 in 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 :

	£
Directors' Remuneration	8,181
Auditors' Remuneration	350
Depreciation	<u>1,479</u>

4. Staff Costs

	£
Wages and Salaries	46,198
	=====

PRINT DESIGNS(WILMSLOW) LIMITED
 NOTES TO THE ACCOUNTS
FOR THE PERIOD 21ST OCTOBER 1996 TO 31ST DECEMBER 1997

(Cont'd)

	£
5. <u>Interest Payable</u>	
Bank Loans	1,500
	=====
6. <u>Taxation</u>	
	£
Corporation Tax	NIL
7. <u>Tangible Fixed Assets</u>	
	Equipment, Fittings and Fixtures
	£
Cost	9,861
	<u>9,861</u>
Depreciation Charge for the year	1,479
	<u>1,479</u>
Net Book Value	<u>8,382</u>
8. <u>Debtors</u>	
	£
Trade Debtors	18,414
Prepayments	<u> </u>
9. <u>Creditors : amounts falling due within one year</u>	
	£
Bank Loan	4,800
Bank Overdraft	
Corporation Tax	1,102
Trade Creditors	14,713
Value Added Tax	1,627
Other Taxes and Social Security Costs	1,417
Accrued Expenses	1,650
	<u>25,309</u>

PRINT DESIGNS(WILMSLOW) LIMITED
 NOTES TO THE ACCOUNTS
FOR THE PERIOD 21ST OCTOBER 1996 TO 31ST DECEMBER 1997

10. Creditors : amounts falling due after one year

	£
Bank Loan	3,811
Directors' Loan Account	41,434
	<u>45,245</u>

11. Share Capital

	1997	
	Authorised Allotted Called Up & Fully Paid	
Ordinary Shares of £1 each	100	2
	==	=