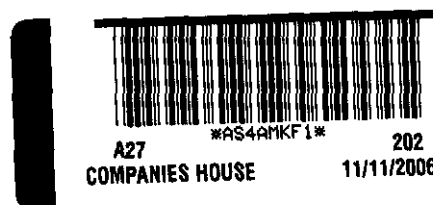


Registration number 4691051

Cannell Graphics Limited

Abbreviated accounts

for the year ended 30 April 2006



Wilson Sandford & Co

CHARTERED ACCOUNTANTS

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UK200Group

Cannell Graphics Limited

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Cannell Graphics Limited

**Chartered Accountants' Report to the Board of Director on the
Unaudited Financial Statements of Cannell Graphics Limited**

In accordance with the engagement letter dated 25 August 2006, and in order to assist you to fulfill your duties under Companies Act 1985, we have compiled the financial statements of the company which comprise the profit and loss account, the balance sheet and the related notes on pages 3 - 5 from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Director, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Director that we have done so and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Director, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 30 April 2006 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the Company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

..........

Wilson Sandford & Co
Chartered Accountants & UK200 Group Members

85 Church Road
Hove
BN3 2BB

Date 10-11-06

Cannell Graphics Limited

Abbreviated balance sheet as at 30 April 2006

		2006	2005
	Notes	£	£
Fixed assets			
Intangible assets	2	133,642	141,542
Tangible assets	2	95,896	124,439
		<u>229,538</u>	<u>265,981</u>
Current assets			
Stocks		28,961	30,727
Debtors		83,150	136,888
Cash at bank and in hand		29,409	-
		<u>141,520</u>	<u>167,615</u>
Creditors: amounts falling due within one year	3	<u>(233,203)</u>	<u>(364,996)</u>
Net current liabilities		(91,683)	(197,381)
Total assets less current liabilities		<u>137,855</u>	<u>68,600</u>
Creditors: amounts falling due after more than one year		-	(846)
Net assets		<u>137,855</u>	<u>67,754</u>
Capital and reserves			
Called up share capital	4	20,000	20,000
Profit and loss account	5	117,855	47,754
Shareholders' funds		<u>137,855</u>	<u>67,754</u>

The director confirms that:

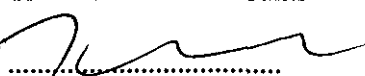
(A) For the year ended 30 April 2006, the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985;

(B) No member or members eligible to do so have deposited a notice requesting an audit within the specified time period; and

(C) The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with Section 221 (Duty to keep accounting records) and for 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 or loss for the financial year in accordance with the requirements of Section 226 (Duty to prepare individual company accounts), and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

The abbreviated accounts were approved by the Board on 7/11/2006 and signed on its behalf by



K CANNELL
DIRECTOR

Cannell Graphics Limited

Notes to the abbreviated financial statements for the year ended 30 April 2006

1. Accounting policies

The principal accounting policies adopted in the presentation of the financial statements are set out below and have been consistently applied within the same accounts.

1.1. Basis of preparation of financial statements

The full financial statements were prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services supplied during the year.

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Production equipment	-	25% per annum of net book value
Fixtures, fittings and equipment	-	25% and 15% per annum of net book value
Motor vehicles	-	25% per annum of net book value

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.7. Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences between the treatment of certain items for accounts and tax purposes, that have originated but not reversed by the balance sheet date. No provision is made for taxation on permanent differences. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

Deferred tax is not discounted to reflect the present value of future cashflows.

1.8. Dividends paid - change of accounting policy

In accordance with Financial Reporting Standard 21 dividends paid are now charged directly against Profit and Loss Account reserves, and comparatives have been restated in accordance with the Standard. This change has had no financial effect on the company.

Cannell Graphics Limited

Notes to the abbreviated financial statements for the year ended 30 April 2006

..... continued

2. Fixed assets	Intangible assets £	Tangible fixed assets £	Total £
Cost			
At 1 May 2005	158,000	305,528	463,528
Additions	-	7,403	7,403
Disposals	-	(7,180)	(7,180)
At 30 April 2006	<u>158,000</u>	<u>305,751</u>	<u>463,751</u>
Depreciation and Provision for diminution in value			
At 1 May 2005	16,458	181,088	197,546
On disposals	-	(2,234)	(2,234)
Charge for year	7,900	31,001	38,901
At 30 April 2006	<u>24,358</u>	<u>209,855</u>	<u>234,213</u>
Net book values			
At 30 April 2006	<u><u>133,642</u></u>	<u><u>95,896</u></u>	<u><u>229,538</u></u>

3. Creditors: amounts falling due within one year	2006 £	2005 £
Creditors include the following:		
Secured creditors	<u>-</u>	<u>31,047</u>

4. Share capital	2006 £	2005 £
Authorised		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

Cannell Graphics Limited

Notes to the abbreviated financial statements for the year ended 30 April 2006

..... continued

5. Reserves

	Profit and loss account	Total
	£	£
At 1 May 2005	47,754	47,754
Retained profit for the year	99,101	99,101
Equity Dividends paid during the year	(29,000)	(29,000)
At 30 April 2006	<u>117,855</u>	<u>117,855</u>

6. Transactions with director

Within creditors is £127,744 due to K Cannell, the director of the company.

During the year, the company received £4,918 in respect of sales and £21,180 in respect of rent and other charges from Wisdom Cannell Limited, a company that has K Cannell as a director. £499 remains in debtors at the year end in respect of these sales.

The company was invoiced £6,568 by Wisdom Cannell Limited in respect of design fees in this period, £123 remains in creditors at the year end.

£25,000 was loaned to this company by Wisdom Cannell Limited and remains in creditors at the year end date.

The company also made sales in the sum of £62,561 to Eurostand Display Limited, another company that has K Cannell as a director. £3,566 remains in debtors at the year end in respect of these sales.

The company was invoiced £15,661 by Eurostand Display Limited in respect of display systems in this year. £191 remains in trade creditors at the year end. This company was also recharged £4,200 in the year for use of Eurostand Display Limited staff.