

2712055.

CREATIVE LICENCE DESIGN LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MAY 1996



CREATIVE LICENCE DESIGN LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 1996

CONTENTS

	<u>PAGE</u>
Company Information	1
Report of the Director	2 - 3
Report of the Accountants	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7 - 10

The following pages do not form part of the statutory accounts

Detailed Profit and Loss Account	11
Schedule to the Detailed Profit and Loss Account	12

CREATIVE LICENCE DESIGN LIMITEDCOMPANY INFORMATION

DIRECTOR: T. Cohen

SECRETARY: L. Cohen

REGISTERED OFFICE: Ramsay House  
825 High Road  
Finchley  
London  
N12 8UB

COMPANY NUMBER: 02712055 (England and Wales)

BANKERS: Barclays Bank plc  
1250 High Road  
Whetstone  
London  
N20 0PB

ACCOUNTANTS: Ramsay Brown and Partners  
Chartered Accountants  
Ramsay House  
825 High Road  
London  
N12 8UB

CREATIVE LICENCE DESIGN LIMITED

REPORT OF THE DIRECTOR

The director presents her report and the financial statements for the year ended 31st May 1996.

PRINCIPAL ACTIVITY

The principal activity of the company was that of interior and graphic design consultants.

BUSINESS REVIEW

The company's balance sheet as detailed on page 6 shows a satisfactory position with shareholders' funds amounting to £199.

PROFIT, DIVIDENDS AND APPROPRIATIONS

The results for the year are shown in the profit and loss account on page 5.

The director proposes payment of an ordinary dividend of £7,000 and the balance for the year is to be transferred to reserves.

FIXED ASSETS

Changes in fixed assets during the year are set out in note 8 to the accounts.

DIRECTOR

The director of the company during the year and her interests in the shares of the company as recorded in the register of directors' interests were as follows:

	<u>Ordinary Shares of £1 each</u>	
	<u>31st May 1996</u>	<u>1st June 1995</u>
T. Cohen	99	99

Continued...

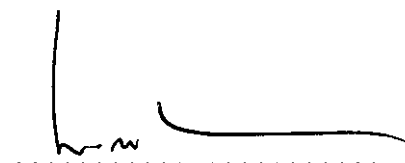
CREATIVE LICENCE DESIGN LIMITEDREPORT OF THE DIRECTOR

Continued...

REPORTING ACCOUNTANTS

The director considers that for the year ended 31st May 1996 the company was entitled to exemption from a statutory audit under section 249A of the Companies Act 1985. Under the provisions of the Act, the director has appointed Ramsay Brown and Partners as Reporting Accountants. Their report is shown on page 4 of the financial statements.

BY ORDER OF THE BOARD



L. Cohen  
SECRETARY

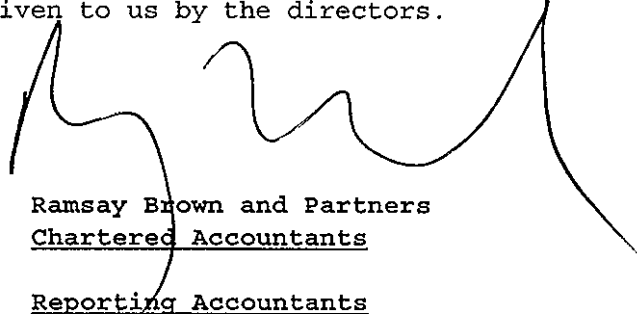
26 March 1997

CREATIVE LICENCE DESIGN LIMITEDREPORT OF THE ACCOUNTANTSReport of the Accountants to the Memberson the Unaudited Financial Statements ofCreative Licence Design Limited

In accordance with instructions given to us we have prepared financial statements for the company for the year ended 31st May 1996 according to the accounting provisions of the Companies Act 1985. The directors of the company have confirmed that the company is totally exempt from the audit requirement under the provisions of subsection 1 of section 249A of the Companies Act 1985, and as a result we have not carried out an audit. The financial statements on pages 5 to 10 are therefore based on the information shown in the accounting records and on the information supplied and explanations given to us by the directors.

Ramsay House, 825 High Road  
Finchley, London N12 8UB

26 March 1997



Ramsay Brown and Partners  
Chartered Accountants

Reporting Accountants

CREATIVE LICENCE DESIGN LIMITED  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MAY 1996

	<u>Note</u>	<u>1996</u> £	<u>1995</u> £
Turnover	2	42,341	52,583
Cost of sales		(13,610)	(16,540)
<u>GROSS PROFIT</u>		28,731	36,043
Distribution costs		(512)	(303)
Administrative expenses		(17,969)	(17,785)
<u>OPERATING PROFIT</u>	3	10,250	17,955
Interest payable	5	(352)	(1,191)
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>		9,898	16,764
Taxation	6	(2,735)	(4,402)
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>		7,163	12,362
Dividends	7	(7,000)	(12,500)
<u>RETAINED PROFIT/(LOSS) FOR THE YEAR</u>		£ 163	£ (138)

Movements in reserves are shown in note 13.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1996 or 1995 other than the profit for the year.

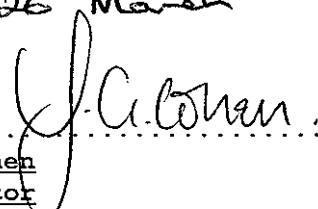
CREATIVE LICENCE DESIGN LIMITEDBALANCE SHEET AS AT 31ST MAY 1996

	Note	£	1996	£	1995	£
<u>FIXED ASSETS</u>						
Tangible assets	8		854		2,835	
<u>CURRENT ASSETS</u>						
Stocks	9	490		465		
Debtors	10	8,418		21,495		
Cash at bank and in hand		5,469		2,485		
			14,377		24,445	
<u>CREDITORS</u> : amounts falling due within one year	11	(15,032)		(27,244)		
<u>NET CURRENT LIABILITIES</u>			(655)		(2,799)	
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		£	199	£	36	
<u>CAPITAL AND RESERVES</u>						
Called up share capital	12		100		100	
Profit and loss account	13		99		(64)	
<u>TOTAL SHAREHOLDERS' FUNDS</u>	14	£	199	£	36	

The director considers that for the year ended 31st May 1996 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The director acknowledges her responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing financial statements 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, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements on pages 5 to 10 were approved by the director on 26 March 1997.

.....  
  
T. Cohen  
Director



CREATIVE LICENCE DESIGN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 1996

**1 ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Office equipment	25% straight line/15% reducing balance
Fixtures and fittings	25% reducing balance

**Stocks and Work in Progress**

Stocks are valued 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**

Turnover represents the amount derived from the provision of services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

**3 OPERATING PROFIT**

	<u>1996</u>	<u>1995</u>
	£	£
Operating profit is stated after charging:		
Accountancy Fees	1,200	1,000
	<u>          </u>	<u>          </u>
Depreciation of tangible fixed assets		
Depreciation owned assets	1,981	1,999
	<u>          </u>	<u>          </u>

CREATIVE LICENCE DESIGN LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MAY 1996

4 DIRECTOR AND EMPLOYEES

	<u>1996</u>	<u>1995</u>
	£	£
<u>Staff Costs Including Director's Emoluments</u>		
Wages and salaries	3,120	2,600
	<u>          </u>	<u>          </u>
	<u>Number</u>	<u>Number</u>
<u>Average number employed including executive directors</u>		
Office and management	1	1
Administration staff	1	1
	<u>          </u>	<u>          </u>
	2	2
	<u>          </u>	<u>          </u>
<u>Director</u>	£	£
<u>Director's Emoluments</u>		
Remuneration	3,120	2,600
	<u>          </u>	<u>          </u>

5 INTEREST PAYABLE

	<u>1996</u>	<u>1995</u>
	£	£
Bank loan interest	286	1,183
Credit card interest	24	8
Other interest	42	-
	<u>          </u>	<u>          </u>
	352	1,191
	<u>          </u>	<u>          </u>

6 TAXATION

	<u>1996</u>	<u>1995</u>
	£	£
Corporation tax on profit on ordinary activities at 25%/24%(1995 25%)	2,735	4,402
	<u>          </u>	<u>          </u>

7 DIVIDENDS

	<u>1996</u>	<u>1995</u>
	£	£
Final	7,000	12,500
	<u>          </u>	<u>          </u>

CREATIVE LICENCE DESIGN LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MAY 1996

8 TANGIBLE FIXED ASSETS

	<u>Office Equipment</u>	<u>Fixtures and Fittings</u>	<u>Total</u>
	£	£	£
<u>Cost or Valuation</u>			
At 1st June 1995 and at 31st May 1996	7,893	315	8,208
<u>Depreciation</u>			
At 1st June 1995	5,225	148	5,373
Charge for the year	1,939	42	1,981
At 31st May 1996	7,164	190	7,354
<u>Net Book Value</u>			
At 31st May 1996	729	125	854
At 31st May 1996	2,668	167	2,835

9 STOCKS

	<u>1996</u> £	<u>1995</u> £
Work in progress	490	465

10 DEBTORS

	<u>1996</u> £	<u>1995</u> £
Amounts falling due within one year		
Trade debtors	3,395	18,005
Other debtors	5,023	3,490
	8,418	21,495

CREATIVE LICENCE DESIGN LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST MAY 199611 CREDITORS: Amounts falling due  
within one year

	<u>1996</u>	<u>1995</u>
	£	£
Bank loan	1,707	3,630
Trade creditors	680	959
Corporation tax	2,735	4,402
Other taxation and social security	1,010	5,212
Other creditors	-	6,041
Accruals and deferred income	8,900	7,000
	<u>15,032</u>	<u>27,244</u>

12 SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	£	£
Authorised		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

13 PROFIT AND LOSS ACCOUNT

	<u>1996</u>
	£
At 1st June 1995	(64)
Retained profit for the year	<u>163</u>
At 31st May 1996	<u>99</u>

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1996</u>	<u>1995</u>
	£	£
Profit for the financial year	7,163	12,362
Dividends	<u>(7,000)</u>	<u>(12,500)</u>
Net addition to/(subtraction from) shareholders' funds	163	(138)
Opening shareholders' funds	<u>36</u>	<u>174</u>
Closing shareholders' funds	<u>199</u>	<u>36</u>

CREATIVE LICENCE DESIGN LIMITEDDETAILED PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST MAY 1996

	<u>1996</u>		<u>1995</u>	
	£	£	£	£
<b>TURNOVER</b>				
Sales		42,341		52,583
<b>COST OF SALES</b>				
Opening work in progress	465		5,150	
Purchases	13,635		11,855	
Closing work in progress	(490)		(465)	
		<u>13,610</u>		<u>16,540</u>
<b>GROSS PROFIT</b>		28,731		36,043
<b>OVERHEADS</b>				
Distribution costs	512		303	
Administrative expenses	17,969		17,785	
Interest payable	352		1,191	
		<u>18,833</u>		<u>19,279</u>
<b>NET PROFIT FOR THE YEAR</b>		<u>£ 9,898</u>		<u>£ 16,764</u>

CREATIVE LICENCE DESIGN LIMITED  
SCHEDULE TO THE DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MAY 1996

	<u>1996</u> £	<u>1995</u> £
<u>DISTRIBUTION COSTS</u>		
Travelling	£ 512	£ 303
	<hr/>	<hr/>
<u>ADMINISTRATIVE EXPENSES</u>		
Carriage	27	622
Mailing service	15	-
Telephone charges	849	1,226
Printing, postage and stationery	95	22
Director's remuneration	3,120	2,600
Repairs and renewals	-	140
Insurance	-	238
Rent and rates	10,380	9,660
Sundry expenses	158	118
Depreciation - office equipment	1,939	1,943
- fixtures and fittings	42	56
Bank charges	144	160
Auditors' remuneration	1,200	1,000
	<hr/>	<hr/>
	£ 17,969	£ 17,785
	<hr/>	<hr/>
<u>INTEREST PAYABLE</u>		
Bank loan interest	286	1,183
Credit card interest	24	8
Other interest	42	-
	<hr/>	<hr/>
	£ 352	£ 1,191
	<hr/>	<hr/>