

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1997

FOR

BARWELL STUDIO LIMITED



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for the Year Ended 31 May 1997

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BARWELL STUDIO LIMITED

COMPANY INFORMATION
for the Year Ended 31 May 1997

DIRECTORS: Tony Michael Pickering
Michael Robert Pickering
Barbara Helen Pickering – appointed 1 August 1997

SECRETARY: Barbara Helen Pickering

REGISTERED OFFICE: Units 1 and 2
Wood Street
Earl Shilton
Leicestershire

REGISTERED NUMBER: 1756520

AUDITORS: Lester & Co.
Chartered Accountants
Registered Auditors
25 Station Road
Hinckley
Leicestershire
LE10 1AP

BARWELL STUDIO LIMITED

REPORT OF THE AUDITORS TO

BARWELL STUDIO LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 May 1997 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

Lester & Co.
Chartered Accountants
Registered Auditors
25 Station Road
Hinckley
Leicestershire
LE10 1AP



Dated: 30 September 1997

BARWELL STUDIO LIMITED**ABBREVIATED BALANCE SHEET****31 May 1997**

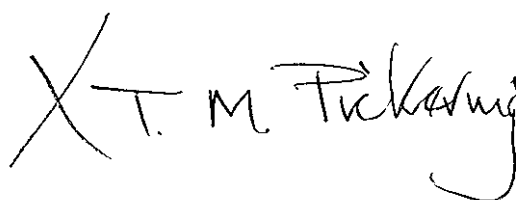
		31.5.97		31.5.96	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		898,149		852,484
CURRENT ASSETS:					
Stocks		477,274		423,764	
Debtors		752,428		633,279	
Investments		102		340	
Cash in hand		584		-	
		1,230,388		1,057,383	
CREDITORS: Amounts falling due within one year					
	3	745,784		871,448	
NET CURRENT ASSETS:					
			484,604		185,935
TOTAL ASSETS LESS CURRENT LIABILITIES:					
			1,382,753		1,038,419
CREDITORS: Amounts falling due after more than one year					
	3		(381,352)		(176,352)
PROVISIONS FOR LIABILITIES AND CHARGES:					
			(38,541)		(40,788)
			£962,860		£821,279
CAPITAL AND RESERVES:					
Called up share capital	4		200		200
Profit and loss account			962,660		821,079
Shareholders' funds			£962,860		£821,279

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

ON BEHALF OF THE BOARD:

Tony Michael Pickering - DIRECTOR

Approved by the Board on 26 September 1997



The notes form part of these financial statements

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 31 May 1997

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and equipment	- 10% on reducing balance and 20% on cost
Fixtures and fittings	- 10% and 33% on reducing balance
Motor vehicles	- 20% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

BARWELL STUDIO LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31 May 1997**2. TANGIBLE FIXED ASSETS**

	Plant and equipment	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST:				
At 1 June 1996	1,080,575	189,539	67,801	1,337,915
Additions	131,173	15,086	73,293	219,552
Disposals	-	-	(52,886)	(52,886)
At 31 May 1997	1,211,748	204,625	88,208	1,504,581
DEPRECIATION:				
At 1 June 1996	361,634	95,064	28,734	485,432
Charge for year	96,026	17,148	12,911	126,085
Eliminated on disposals	-	-	(5,085)	(5,085)
At 31 May 1997	457,660	112,212	36,560	606,432
NET BOOK VALUE:				
At 31 May 1997	754,088	92,413	51,648	898,149
At 31 May 1996	718,942	94,475	39,067	852,484

3. CREDITORS

The following secured debts are included within creditors:

	31.5.97	31.5.96
	£	£
Bank overdrafts	119,918	121,696
Bank loans	265,000	-
	384,918	121,696

This security is given personally by a director.

BARWELL STUDIO LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Year Ended 31 May 1997

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	31.5.97	31.5.96
		value:	£	£
1,000	Ordinary	£1	1,000	1,000
			==	==
Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.5.97	31.5.96
		value:	£	£
200	Ordinary	£1	200	200
			==	==

5. TRANSACTIONS WITH DIRECTORS

During the year the company made pension contributions of £45,376 (1996 - £13,132) to a scheme in which both the directors are beneficiaries.

Rent is payable to the pension scheme for the property occupied by the company. During the year £49,833 was charged to the Profit and Loss Account (1996 - £45,740).

6. INVESTMENT IN SUBSIDIARY

In 1986 the Company acquired the business and assets of Rotastock Label Service Limited at net asset value. The consideration for this acquisition is shown as a "creditor due in more than one year" on the balance sheet. The entire share capital of the Company was acquired by the exchange of shares in Barwell Studio Limited on a one for one basis. The value of this holding reflects the assets of Rotastock Label Service Limited. Since 1986 Rotastock Label Service Limited has been dormant. It is not considered meaningful that consolidated financial statements be prepared.