

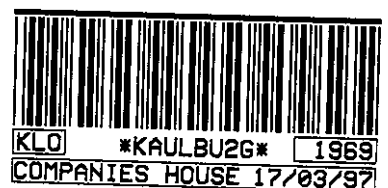
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ACREJEAN LIMITED

ANNUAL REPORT AND ACCOUNTS

for the year ended

30th JUNE, 1996.



ACREJEAN LIMITED

DIRECTOR Mr. R.W. Maxwell (Chairman)

SECRETARY Miss. A.M. Webb

REGISTERED OFFICE 12E Compton Road
London N1 2PA

REGISTERED NUMBER 1799676 England and Wales

AUDITORS Scott Rayment
Certified Accountants
12E Compton Road
London N1 2PA

ANNUAL REPORT AND ACCOUNTS - 30th JUNE, 1996.

Pages	1	Report of the directors
	2	Report of the auditors
	3	Accounts comprising
	3	Profit and loss account
	4	Balance sheet
	5	Statement of total recognised gains and losses
	6 - 9	Notes to the accounts

The following pages do not form part of the statutory accounts :-

10 - 11 Detailed profit and loss account

ACREJEAN LIMITEDREPORT OF THE DIRECTORS

The directors present their annual report with the accounts of the company for the year ended 30th June, 1996.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the supply of drapes and props to the entertainment and associated industries.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows :-

	<u>30.6.1996</u>	<u>30.6.1995</u>
Mr. R.W. Maxwell	<u>90</u>	<u>90</u>

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to :-

- * select suitable accounting policies :
- * make judgements and estimates that are reasonable and prudent :
- * follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts :
- * prepare accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Scott Raymont will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

In preparing the above report the directors have taken advantage of special exemptions applicable to small companies.

Signed on behalf of the
board of directors

A.M. Webb.
Secretary

A.M. Webb

Approved by the board on 29.10.1996

AUDITORS' REPORT TO THE SHAREHOLDERS OF

ACREJEAN LIMITED

We have audited the accounts on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our 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 accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 assurance that the accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30th June, 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Scott Raymont

SCOTT RAYMONT
Registered Auditors
Certified Accountants

12E Compton Road
London N1 2PA

Dated : 29-10-1996

PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 30th JUNE 1996.

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
TURNOVER	2	857,210	643,790
Cost of sales		(384,325)	(258,079)
GROSS PROFIT		472,885	385,711
Distribution costs		(59,995)	(61,587)
Administration expenses		(288,149)	(221,863)
OPERATING PROFIT	3	124,741	102,261
Loss on disposal/theft of fixed assets		(120)	(2,410)
Interest received		2,321	1,657
Advertising revenue		2,000	2,000
Compensation - insurance re theft		-	6,100
Interest payable		(1,002)	(3,706)
PROFIT on ordinary activities before taxation		127,940	105,902
TAXATION		(31,210)	(28,760)
PROFIT for the financial year after taxation		96,730	77,142
DIVIDENDS paid or proposed		(25,000)	(20,000)
RETAINED PROFIT for the financial year		71,730	57,142
RETAINED PROFIT at 1 July 1995		369,195	312,053
RETAINED PROFIT at 30 June 1996		<u>£ 440,925</u>	<u>£ 369,195</u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the above two financial years.

BALANCE SHEET - 30th JUNE, 1996.

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
FIXED ASSETS			
Tangible assets	4	77,910	60,326
Freehold building	4	<u>211,028</u>	<u>211,028</u>
		288,938	271,354
CURRENT ASSETS			
Stocks	5	169,806	135,602
Debtors	6	246,231	208,775
Cash at bank and in hand		<u>59,457</u>	<u>39,753</u>
		475,494	384,130
CREDITORS : amounts falling due within one year	7	<u>(323,407)</u>	<u>(286,189)</u>
NET CURRENT ASSETS		152,087	97,941
TOTAL ASSETS LESS CURRENT LIABILITIES		441,025	369,295
CREDITORS : amounts falling due after more than one year	8	<u>-</u>	<u>-</u>
		£ 441,025	£ 369,295
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account		<u>440,925</u>	<u>369,195</u>
		£ 441,025	£ 369,295

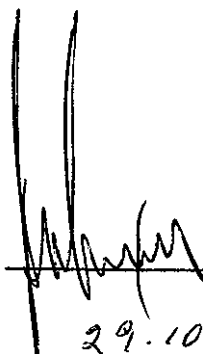
The directors have taken advantage of special exemptions conferred by Schedule 8 of the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

Signed on behalf of
the board of directors

R.W. MAXWELL

Director

Approved by the board on :


29.10.1996

ACREJEAN LIMITEDSTATEMENT OF TOTAL RECOGNISED GAINS AND LOSSESFOR THE YEAR ENDED 30th JUNE, 1996.

	<u>1996</u>	<u>1995</u>
	£	£
PROFIT for the financial year after taxation	96,730	71,042
DIVIDENDS	<u>(25,000)</u>	<u>(20,000)</u>
	71,730	51,042
Compensation received re theft of assets	-	6,100
TOTAL RECOGNISED GAINS during the year	<u>£ 71,730</u>	<u>£ 57,142</u>

ACREJEAN LIMITEDNOTES TO THE ACCOUNTS - 30th JUNE 1996

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1, 'Cash flow statements'.

Turnover

Turnover represents net invoiced sales of goods and services, 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 :

Motor vehicles	25% on written down values
Equipment	25% on written down values
Office equipment	25% on written down values
Furniture "	25% on written down values
Computers	25% on cost

No depreciation is provided on the freehold building.

Stocks

Stocks and work-in-progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

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ACREJEAN LIMITEDNOTES TO THE ACCOUNTS - 30th JUNE 1996

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2. TURNOVER

93% of the turnover arises in the United Kingdom and the balance of 7% is attributable to the E.E.C.

(1995 - 92% United Kingdom. 8% E.E.C.)

3. OPERATING PROFIT

The operating profit is stated after charging :-

	<u>1996</u>	<u>1995</u>
	£	£
Depreciation of tangible fixed assets	28,342	20,734
Auditors' remuneration	<u>6,950</u>	<u>5,450</u>
Directors' emoluments :-		
For services as directors	<u>£ 124,260</u>	<u>£ 117,811</u>

4. TANGIBLE FIXED ASSETS

Freehold building :-

Unit 7
Kimber Centre,
Kimber Road
London SW18 4PP

This is valued at £211,028

No depreciation is provided for on the building.

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ACREJEAN LIMITED

continued.../

NOTES TO THE ACCOUNTS - 30th JUNE, 1996.

4. TANGIBLE FIXED ASSETS

	Computers	Furniture	Office Equipmt	Equipment	Motor Vehicles	Racing Car	TOTAL
Cost 1 July 1995	10,565	2,553	8,400	18,477	53,771	15,463	109,229
Additions during year	-	1,897	950	26,657	16,422	-	45,926
COST 30 June 1996	£10,565	£4,450	£9,350	£45,134	£70,193	£15,463	£ 155,155
Depreciation 1 July 1995	4,520	1,837	4,781	10,039	17,156	10,570	48,903
Charge for the year	2,641	1,306	1,142	8,774	13,256	1,223	28,342
DEPRECIATION 30 June 1996	£7,161	£3,143	£5,923	£18,813	£30,412	£11,793	£ 77,245

NET BOOK VALUES :

at 30th June, 1996	£3,404	£1,307	£3,427	£26,321	£39,781	£3,670	£ 77,910
at 30th June 1995	£6,045	£716	£3,619	£8,438	£36,615	£4,893	£ 60,326

NOTES TO THE ACCOUNTS - 30th JUNE 1996.

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5. STOCKS	<u>1996</u>	<u>1995</u>
Stocks - raw materials and made-up drapes	<u>£ 169,806</u>	<u>£ 135,602</u>
6. DEBTORS	<u>1996</u>	<u>1995</u>
Trade debtors	220,274	188,948
Other debtors	25,957	19,827
	<u>£ 246,231</u>	<u>£ 208,775</u>
7. CREDITORS : amounts falling due within one year	<u>1996</u>	<u>1995</u>
Bank overdrafts and loans	31,114	43,051
Trade creditors	79,480	76,599
Other creditors	212,813	166,539
	<u>£ 323,407</u>	<u>£ 286,189</u>
8. CREDITORS : amounts falling due in after more than one year	<u>1996</u>	<u>1995</u>
	<u>nil</u>	<u>nil</u>
9. CALLED UP SHARE CAPITAL	<u>1996</u>	<u>1995</u>
Authorised :		
1,000 ordinary shares of £1.00 each	<u>£ 1,000</u>	<u>£ 1,000</u>
Allotted, called up and fully paid :		
100 ordinary shares of £1.00 each	<u>£ 100</u>	<u>£ 100</u>
10. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS FUNDS	<u>1996</u>	<u>1995</u>
Profit for the financial year after taxation	96,730	71,042
Dividends	(25,000)	(20,000)
	71,730	51,042
Other recognised gains during the year	-	6,100
	71,730	57,142
Opening shareholders' funds 1 July 1995	369,195	312,053
Closing shareholders' funds 30 June 1996	<u>£ 440,925</u>	<u>£ 369,195</u>