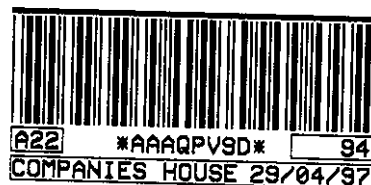


Entri Research Limited

Annual Report

1 May 1996 to 31 December 1996



Entri Research Limited

Annual Report

Period ended 31 December 1996

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Entri Research Limited

Directors' Report

The directors submit their report and the audited financial statements for the period ended 31 December 1996.

Results

The group trading profit for the period after tax was £84,047.

Principal activities

The group's principal activities are market research and management consultancy.

Directors

The directors interests in the shares of the company were as follows:

	Ordinary Shares of £1	
	At 1 May 1996	At 31 December 1996
D W Morgan	292	2,920
M A J Kusmidrowicz	214	2,140
M J Harvey	108	1,080
N S Halsby	130	1,300
T R Coates	25	250
A de Bats	25	250
S Cooper (appointed 29 May 1996)	-	-

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements 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 financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the 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 to enable them to ensure that the financial statements 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.

Entri Research Limited

Directors' Report

Continued

Auditors

A resolution to reappoint the auditors, Francis Clark, Chartered Accountants, will be proposed at the annual general meeting.

Advantage is taken in the preparation of the directors' report of the special exemptions applicable to small companies conferred by Part II of Schedule 8 of the Companies Act 1985.

By Order of the Board

A handwritten signature in dark ink, appearing to read 'A. L. Jones', enclosed within a large, loopy oval shape.

Secretary

Entri Research Limited

Auditors' Report to the Members

We have audited the financial statements on pages 4 to 12.

Respective responsibilities of directors and auditors

As described on page 1 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 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 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 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 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 affairs of the company and the group as at 31 December 1996 and of the profit of the group for the eight months then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small groups.

Francis Clark
Chartered Accountants
NEWTON ABBOT

28 April 1997



Registered Auditors

Entri Research Limited

Consolidated Profit and Loss Account

Period ended 31 December 1996

		1 May 1996 to 31 December 1996 £	Year ended 30 April 1996 £
	Notes		
Turnover			
Continued operations	2	1,304,468	666,248
Acquisitions		-	392,442
		<hr/>	<hr/>
		1,304,468	1,058,690
Cost of sales		966,968	800,982
		<hr/>	<hr/>
Gross profit		337,500	257,708
		<hr/>	<hr/>
Net operating expenses		224,443	216,701
		<hr/>	<hr/>
Operating profit before exceptional item			
Continuing operations		113,057	62,309
Acquisitions		-	(21,302)
		<hr/>	<hr/>
		113,057	41,007
Interest receivable		351	-
Interest payable		(1,861)	(4,502)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	111,547	36,505
Taxation on profit on ordinary activities	4	27,500	10,192
		<hr/>	<hr/>
Profit for the financial year	10	£84,047	£26,313
		<hr/>	<hr/>

Movements on Reserves are set out in note 10 on page 11.

The group has no recognised gains or losses other than the profit for the period.

The group's results for the current period derive from continuing activities.

Entri Research Limited

Consolidated Balance Sheet

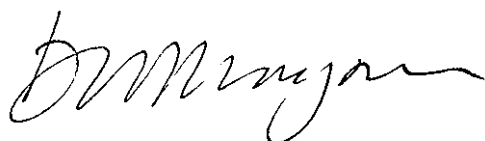
31 December 1996

		31 December 1996 £	30 April 1996 £
	Notes		
Fixed assets			
Tangible assets	5	87,004	50,916
Investments	6	3,500	3,500
		<u>90,504</u>	<u>54,416</u>
Current assets			
Work in progress		27,059	39,694
Debtors	7	423,982	260,602
Cash at bank and in hand		927	17,695
		<u>451,968</u>	<u>317,991</u>
Creditors - Amounts falling due within one year	8	<u>395,482</u>	<u>321,494</u>
Net current assets (liabilities)		<u>56,486</u>	<u>(3,503)</u>
Total assets less current liabilities		<u>146,990</u>	<u>50,913</u>
Creditors - Amounts falling due after more than one year	8	<u>16,241</u>	<u>4,236</u>
		<u><u>£130,749</u></u>	<u><u>£46,677</u></u>
Capital and reserves			
Called up share capital	9	9,760	960
Share premium account	10	4,852	4,852
Profit and loss account	10	116,137	40,865
Shareholders' funds	10	<u><u>£130,749</u></u>	<u><u>£46,677</u></u>

Advantage is taken in the preparation of the financial statements of the special exemptions applicable to small groups conferred by Part I of Schedule 8 to the Companies Act 1985. In the directors' opinion the company is entitled to those exemptions as a small group.

Approved by the board on 21 April 1997 and signed on its behalf by

Director



Entri Research Limited

Company Balance Sheet

31 December 1996

		31 December 1996 £	30 April 1996 £
	Notes		
Fixed assets			
Tangible assets	5	73,297	43,854
Investments	6	3,600	3,600
		<u>76,897</u>	<u>47,454</u>
Current assets			
Work in progress		9,489	26,836
Debtors	7	215,467	146,531
Cash at bank and in hand		-	17,695
		<u>224,956</u>	<u>191,062</u>
Creditors - Amounts falling due within one year	8	183,922	166,212
Net current assets		<u>41,034</u>	<u>24,850</u>
Total assets less current liabilities		<u>117,931</u>	<u>72,304</u>
Creditors - Amounts falling due after more than one year	8	16,241	4,236
		<u>£101,690</u>	<u>£68,068</u>
Capital and reserves			
Called up share capital	9	9,760	960
Share premium account	10	4,852	4,852
Profit and loss account	10	87,078	62,256
Shareholders' funds	10	<u>£101,690</u>	<u>£68,068</u>

Advantage is taken in the preparation of the financial statements of the special exemptions applicable to small groups conferred by Part I of Schedule 8 to the Companies Act 1985. In the directors' opinion the company is entitled to those exemptions as a small group.

Approved by the board on

[Signature]

1997 and signed on its behalf by

Director

[Signature]

Entri Research Limited

Notes and Accounting Policies

Period ended 31 December 1996

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

(a) Basis of consolidation

The group accounts consolidate the accounts of Entri Research Limited and its subsidiary undertaking drawn up to 31 December each year. No profit and loss account is presented for Entri Research Limited as permitted by section 230 of the Companies Act 1985.

(b) Turnover

Turnover comprises the invoice value of market research and consultancy, excluding value added tax.

(c) Tangible fixed assets and depreciation

Tangible assets are depreciated over their estimated useful lives at the following rates:

Office equipment	15% reducing balance/25% straight line
Motor vehicles	25% straight line

(d) Tangible assets acquired under hire purchase contracts

The cost of tangible assets acquired under hire purchase contracts are shown as fixed assets and depreciated in the normal manner as described in (c) above. The corresponding liability is recorded as a capitalised hire purchase obligation and the finance charge element included in the repayments is charged against profits over the hire period.

(e) Leased assets

The costs of operating leases are charged to the profit and loss account as they accrue.

(f) Work in progress

Work in progress is stated at the lower of cost and net realisable value, cost being the invoiced cost of goods and services supplied by outside parties for jobs in production.

Net realisable value is based on estimated invoice value less further costs expected to be incurred to completion.

(g) Deferred taxation

Provision is made for deferred tax, using the liability method to the extent that it is probable that a liability will crystallise in the foreseeable future.

Entri Research Limited

Notes and Accounting Policies

Period ended 31 December 1996

1 Accounting policies continued

(h) Pension scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents the company's contribution to the scheme.

(i) Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Differences arising on translation and on conversion of ordinary foreign currency transactions during the year are dealt with as part of the profit on ordinary activities.

2 Turnover

Of the group's turnover 8% (30 April 1996 - Nil) related to non UK markets.

3 Profit on ordinary activities before taxation

1 May 1996 to 31 December 1996 £	Year ended 30 April 1996 £
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The profit on ordinary activities before taxation is after charging (crediting):

Directors' emoluments	162,523	72,300
Auditors' remuneration	4,500	2,350
Hire purchase finance charges	933	2,235
Pension costs	15,390	8,063
Operating lease rentals	26,088	33,156
Depreciation written off tangible fixed assets		
- owned assets	15,662	18,101
- held under hire purchase agreements	6,559	1,606
Profit on disposal of tangible fixed assets	(2,822)	-

4 Taxation

The taxation charge based on the results for the period is made up as follows:

UK Corporation tax	£27,500	£10,192
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Entri Research Limited

Notes and Accounting Policies

Period ended 31 December 1996

5 Fixed assets - Tangible

Group	Office equipment £	Motor vehicles £	Total £
Cost			
At 1 May 1996	69,525	37,845	107,370
Additions	17,887	42,400	60,287
Disposals	-	(18,995)	(18,995)
At 31 December 1996	87,412	61,250	148,662
Depreciation			
At 1 May 1996	36,101	20,353	56,454
Charge for the period	11,892	10,329	22,221
Eliminated on disposal	-	(17,017)	(17,017)
At 31 December 1996	47,993	13,665	61,658
Net book amounts			
At 30 April 1996	£33,424	£17,492	£50,916
31 December 1996	£39,419	£47,585	£87,004

Included in the above amounts are assets held under hire purchase agreements with a net book value of £47,085 (30 April 1996 - £11,244).

Company

Cost			
At 1 May 1996	61,868	37,845	99,713
Additions	8,684	42,400	51,084
Disposals	-	(18,995)	(18,995)
At 31 December 1996	70,552	61,250	131,802
Depreciation			
At 1 May 1996	35,506	20,353	55,859
Charge for the period	9,334	10,329	19,663
Eliminated on disposal	-	(17,017)	(17,017)
At 31 December 1996	44,840	13,665	58,505
Net book amounts			
At 30 April 1996	£26,362	£17,492	£43,854
At 31 December 1996	£25,712	£47,585	£73,297

Entri Research Limited

Notes and Accounting Policies

Period ended 31 December 1996

6	Fixed assets - Investments	Group £	Company £
	Unlisted subsidiary undertaking at cost		
	As at 1 May 1996 and 31 December 1996	-	100
	Other unlisted investments at cost		
	As at 1 May 1996 and 31 December 1996	3,500	3,500
		£3,500	£3,600

The unlisted subsidiary undertaking is Bray Leino Training for Change Limited whose principal activity is that of management consultants. The parent company owns 100% of the subsidiary's ordinary shares. The consolidated accounts include the results of the subsidiary.

7	Debtors	Group		Company	
	31 December 1996 £	30 April 1996 £	31 December 1996 £	30 April 1996 £	
	Due within one year:				
	Trade debtors	403,782	251,124	186,591	137,053
	Amount owed by group undertaking	-	-	18,458	-
	Amount owed by associated undertaking	891	-	891	-
	Directors' current account (note 11)	12,964	5,815	7,201	5,815
	Tax recoverable	1,682	1,682	1,682	1,682
	Other	693	1,981	644	1,981
	Prepayments and accrued income	3,970	-	-	-
		<u>£423,982</u>	<u>£260,602</u>	<u>£215,467</u>	<u>£146,531</u>

Entri Research Limited

Notes and Accounting Policies

Period ended 31 December 1996

8 Creditors

	Group		Company	
	31 December	30 April	31 December	30 April
	1996	1996	1996	1996
	£	£	£	£
Amounts falling due within one year:				
Bank overdraft	47,068	46,858	5,681	-
Trade creditors	123,530	158,610	41,247	79,768
Corporation tax payable	37,692	10,192	21,692	10,192
Other taxation and social security	31,322	42,637	23,540	32,234
Amounts due to related undertakings	45,820	17,112	10,012	7,250
Hire purchase instalments	21,877	5,084	21,877	5,084
Other	88,173	41,001	59,873	31,684
	<u>£395,482</u>	<u>£321,494</u>	<u>£183,922</u>	<u>£166,212</u>
Amounts falling due after more than one year:				
Hire purchase instalments	<u>£16,241</u>	<u>£4,236</u>	<u>£16,241</u>	<u>£4,236</u>

Security has been given by the group in respect of £85,186 (30 April 1996 - £9,320) of the above creditors.

9 Share capital

The company's authorised share capital was increased to £20,000 by an ordinary resolution dated 22 August 1996. On 20 September 1996 the directors approved an issue of twenty five shares for cash and a bonus issue of nine shares for every one held.

	Authorised	Allotted and fully paid
Ordinary shares of £1 each	<u>£20,000</u>	<u>£9,760</u>

10 Movement in shareholders' funds

	Share capital	Share premium account	Profit and loss account	1 May 1996 to 31 December 1996	Year ended 30 April 1996
Group	£	£	£	£	£
At 1 May 1996	960	4,852	40,865	46,677	20,364
Bonus shares issued	8,775	-	(8,775)	-	-
Shares issued	25	-	-	25	-
Retained profit	-	-	84,047	84,047	26,313
At 31 December 1996	<u>£9,760</u>	<u>£4,852</u>	<u>£116,137</u>	<u>£130,749</u>	<u>£46,677</u>

Entri Research Limited

Notes and Accounting Policies

Period ended 31 December 1996

10 Movement in shareholders' funds continued

Company	Share capital £	Share premium account £	Profit and loss account £	1 May 1996 to 31 December 1996 £	Year ended 30 April 1996 £
At 1 May 1996	960	4,852	62,256	68,068	20,364
Bonus shares issued	8,775	-	(8,775)	-	-
Shares issued	25	-	-	25	-
Retained profit	-	-	33,597	33,597	47,704
At 31 December 1996	£9,760	£4,852	£87,078	£101,690	£68,068

11 Particulars of transactions involving directors

- (a) During the period, the group traded on normal commercial terms with associated undertakings in which certain directors have an interest as follows:

	Bray Leino Limited £	Blue Sky (UK) Limited £
Sales	64,082	-
Purchases	30,907	24,765
Overheads recharged		
- by related parties	54,995	31,077
- to related parties	7,982	-
Creditor as at 31 December 1996	32,607	12,322

- (b) The following amounts were due by directors to the group during the period.

	At 1 May 1996 £	Maximum during the period £	At 31 December 1996 £
M Harvey	5,815	7,201	7,201
A de Bats	-	5,797	5,763



Artline Productions Limited

Annual Report

1 May 1996 to 31 December 1996