

B.D.L. (DESIGN) LIMITED

Abbreviated Accounts for the period from

26th April 1995 to 30th April 1996



Auditors' Report to the Shareholders of

B.D.L. (Design) Limited

We have audited the accounts set out on pages 5 to 11 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and 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 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. However although we attended the stocktake in order to confirm existence, there were no satisfactory audit procedures that we could adopt in order to confirm that the directors' valuation of stock and work in progress at £76,200 was correct (see Note 8).

Fundamental Uncertainty

In forming our opinion we have considered the fact that at the balance sheet date the company's current liabilities exceeded its current assets by £32,907. The accounts have been prepared on a going concern basis, the validity of which depends upon the future financial support of the company's directors and bankers (see Note 15). The accounts do not include any adjustments that would result from a failure to obtain such support. Our opinion is not qualified in this respect.

Qualified opinion arising from limitation in audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning stock and work in progress, in our opinion the financial statements give a fair view of the state of the company's affairs as at 30th April 1996 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Auditors' Report to the Shareholders of

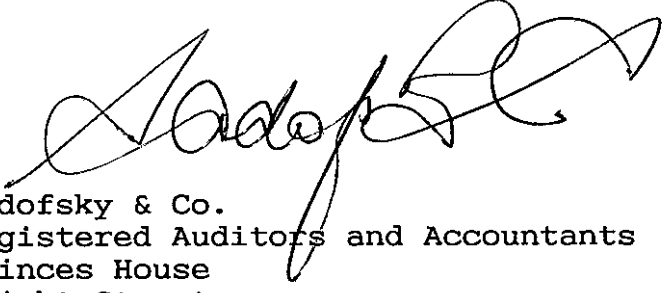
B.D.L. (Design) Limited

(continued)

In respect alone of the limitation on our work relating to stock and work in progress:

We have not obtained all the information and explanations that we consider necessary for the purpose of our audit; and

We have relied on valuations of stock and work in progress determined by the directors of the company.



Sadofsky & Co.
Registered Auditors and Accountants
Princes House
Wright Street
Hull HU2 8HX

Date 24-10-96

Balance Sheet
as at 30th April 1996

	<u>Notes</u>	<u>30/04/96</u>	<u>25/04/95</u>
<u>Fixed Assets</u>			
Tangible Assets	2	7,457	9,501
<u>Current Assets</u>			
Stock and Work in Progress		76,200	23,786
Debtors		163,580	218,680
Cash and Bank Balances		5,613	4,004
		<u>245,393</u>	<u>246,470</u>
<u>Creditors: Amounts due within one year</u>		<u>278,300</u>	<u>236,550</u>
Net current liabilities		(32,907)	9,920
		<u>£ (25,450)</u>	<u>£ 19,421</u>
<u>Capital and Reserves</u>			
Called-up Share Capital	3	75,002	75,002
Profit and Loss Account		(100,452)	(55,581)
		<u>£ (25,450)</u>	<u>£ 19,421</u>

Advantage is taken of the exemptions conferred by Section A, Part III, of Schedule 8 of the Companies Act 1985. In preparing these accounts we have relied on sections 246 and 247 on the grounds that the company is entitled to the benefit of those sections as a small company.

These accounts were approved by the board on 21-10-96.

Ben de Lisi

Ben de Lisi

Debbie A. Lovejoy

Debbie A. Lovejoy

Directors

Notes to the Accounts

for the period from 26th April 1995 to 30th April 1996

1 Accounting Policies

- a. The accounts have been prepared under the historical cost convention and in accordance with all applicable Accounting Standards.
- b. Depreciation is provided on tangible assets at rates estimated to write off the relevant assets over their expected useful lives. The rates per annum are:-

Improvements to Leasehold Property	Over Life of Lease
Fixtures and Equipment	15% of net book value

- c. Tangible fixed assets operated under finance leases are capitalised at a value equal to the cost incurred by the lessor in acquiring the relevant assets and depreciated in the same manner as owned assets. Leases are regarded as finance leases where their terms transfer to the lessee substantially all of the benefits and burdens of ownership other than the right to title.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

- d. Stock and work in progress is valued on a basis consistent with that of previous years at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.
- e. Deferred taxation is provided, at the current rate of corporation tax, on the excess of capital allowances claimed on fixed assets over the cumulative charge for depreciation in the accounts, to the extent that it is probable that a liability will crystallise in the foreseeable future.
- f. Pension contributions are charged to the profit and loss account as they are paid.

Notes to the Accounts

for the period from 26th April 1995 to 30th April 1996

2 Fixed Assets

<u>Tangible Assets</u>	Improvements to Leasehold Property	Fixtures and Equipment	Total
<u>Cost:</u>			
At 26th April 1995	10,352	5,468	15,820
Additions	-	583	583
At 30th April 1996	£ 10,352	6,051	16,403
<u>Depreciation:</u>			
At 26th April 1995	3,986	2,333	6,319
Charge for the period	2,070	557	2,627
At 30th April 1996	£ 6,056	2,890	8,946
<u>Net Book Value:</u>			
At 30th April 1996	£ 4,296	3,161	7,457
At 25th April 1995	£ 6,366	3,135	9,501

3 Share Capital

	<u>30/04/96</u> £	<u>25/04/95</u> £
<u>Authorised</u>		
100,000 Ordinary Shares of £1 each	100,000	100,000
<u>Allotted, called up and fully paid</u>		
75,002 Ordinary Shares of £1 each	75,002	75,002

4 Security

The amounts owed to factoring agent are secured by a fixed and floating charge over all the company's assets.