

2715789

ESPRESSO (TV) LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MAY 1997**



ESPRESSO (TV) LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1997**

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ESPRESSO (TV) LIMITED

**COMPANY INFORMATION
AS AT 31 MAY 1997**

DIRECTOR

D Hooper, Esq

SECRETARY

Miss K Jones

REGISTERED NUMBER

2715789

ACCOUNTANTS

Hillier Hopkins
Chartered Accountants
St Martins House
31-35 Clarendon Road
Watford
Herts
WD1 1JA

ESPRESSO (TV) LIMITED

DIRECTOR'S REPORT

The director presents his annual report with the financial statements of the company for the year ended 31 May 1997.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were: video production.

DIRECTOR AND HIS INTERESTS

The director in office in the year and his beneficial interest in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		Number of Shares	
		1997	1996
D Hooper, Esq	Ordinary shares	4,999	4,999

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year 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 the profit or loss of the company for that period. In preparing those financial statements, the director is 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 director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

CLOSE COMPANY

The company is a close company, as defined by the Income and Corporation Taxes Act 1988.

SMALL COMPANY EXEMPTIONS

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

Signed by:

 26.2.98

D Hooper, Esq
Director

Approved by the director:

ESPRESSO (TV) LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 1997**

	Notes	1997 £	1996 £
TURNOVER		38,364	34,778
Cost of sales		17,096	12,071
GROSS PROFIT		21,268	22,707
Administrative expenses		19,432	20,748
OPERATING PROFIT	2	1,836	1,959
Other interest receivable and similar income		77	-
Interest payable and similar charges	3	(122)	(1,229)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,791	730
PROFIT FOR THE FINANCIAL YEAR		1,791	730

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 or loss for the above two financial years.

Historical cost

The difference between the results as disclosed in the profit and loss account before tax, and retained profit for the year, on an unmodified historical cost basis is not material.

ESPRESSO (TV) LIMITED**BALANCE SHEET
AT 31 MAY 1997**

	Notes	1997	1996
		£	£
FIXED ASSETS			
Intangible assets	5	8,640	10,800
Tangible assets	4	4,589	4,118
		<u>13,229</u>	<u>14,918</u>
CURRENT ASSETS			
Stocks		17,000	20,000
Debtors	6	22,386	34,754
Cash at bank and in hand		93	6,909
		<u>39,479</u>	<u>61,663</u>
CREDITORS: amounts falling due within one year	7	(50,026)	(75,690)
NET CURRENT LIABILITIES		<u>(10,547)</u>	<u>(14,027)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,682</u>	<u>891</u>
CAPITAL & RESERVES			
Called up share capital	9	5,000	5,000
Profit and loss account	10	(2,318)	(4,109)
TOTAL SHAREHOLDERS' FUNDS	11	<u>2,682</u>	<u>891</u>

The director has taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirms that no notice has been deposited under section 249B(2) of the Companies Act 1985. The director acknowledges his responsibilities for ensuring that:

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 31 May 1997 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved on and signed by:

 26.2.98
D Hooper, Esq
Director

ESPRESSO (TV) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1997

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial statements.

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 the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Depreciation of tangible fixed assets

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

Plant and machinery	20% reducing balance
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Amortisation of intangible fixed assets

Intangible fixed assets, other than goodwill, are amortised over the director's estimate of their economic useful life.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange 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 the profit and loss account for the year.

Operating lease commitments

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

2. OPERATING PROFIT

Operating profit is stated:

	1997 £	1996 £
After charging:		
Depreciation of fixed assets	1,147	1,030
Amortisation of intangible assets	2,160	200
Operating lease rentals		
Land and buildings	3,499	4,080

ESPRESSO (TV) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1997****3. INTEREST PAYABLE AND SIMILAR CHARGES**

	1997 £	1996 £
On bank loans and overdrafts	122	1,229

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc. £
Cost:	
At 1 June 1996	7,343
Additions	1,618
At 31 May 1997	8,961
Depreciation:	
At 1 June 1996	3,225
Charge for year	1,147
At 31 May 1997	4,372
Net book value:	
At 31 May 1997	4,589
At 31 May 1996	4,118

5. INTANGIBLE FIXED ASSETS

	Other intangible assets £
Cost:	
1 June 1996 and at 31 May 1997	12,500
Amortisation:	
At 1 June 1996	1,700
Charge for year	2,160
At 31 May 1997	3,860
Net book value:	
At 31 May 1997	8,640
At 31 May 1996	10,800

ESPRESSO (TV) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1997****6. DEBTORS**

	1997 £	1996 £
Trade debtors	22,386	22,594
Other debtors	-	12,160
	<u>22,386</u>	<u>34,754</u>

7. CREDITORS: amounts falling due within one year

	1997 £	1996 £
Bank loans and overdrafts	3,381	-
Trade creditors	8,286	10,191
Amounts owed to participating interests	214	428
Other taxes and social security costs	195	2,506
Directors' current accounts	37,950	62,779
	<u>50,026</u>	<u>75,904</u>

Bank overdrafts amounting to £3,381 (1996 £nil) are secured by a floating charge on all the assets of the company.

8. BORROWINGS

	1997 £	1996 £
The company's borrowings are repayable as follows		
Up to one year and on demand	<u>3,381</u>	<u>-</u>

9. SHARE CAPITAL

	1997 £	1996 £
Authorised:		
Equity interests:		
Ordinary share capital	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid:		
Equity interests:		
5000 Ordinary shares of £1	<u>5,000</u>	<u>5,000</u>

ESPRESSO (TV) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1997**

10. PROFIT AND LOSS ACCOUNT

	1997	1996
	£	£
Accumulated losses at 1 June 1996	(4,109)	(4,839)
Profit for the year	1,791	730
Accumulated losses at 31 May 1997	(2,318)	(4,109)

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997	1996
	£	£
Profit for the financial year	1,791	730
Opening shareholders' funds	891	161
Closing shareholders' funds	2,682	891
Represented by:-		
Equity interests	2,682	891