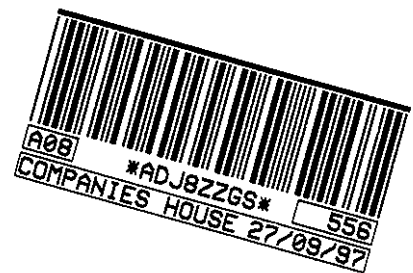


Aztec Displays Limited

FINANCIAL STATEMENTS

for the year ended

30 June 1997



Company Number 2716820

Aztec Displays Limited

DIRECTORS AND OFFICERS

DIRECTORS

CM Haridimou
MJ Ottmann
SM Barrett
Mrs WS Barrett
Mrs VT Haridimou

SECRETARY

Mrs WS Barrett

COMPANY NUMBER

2716820 (England and Wales)

REGISTERED OFFICE

Aztec House
Vulcan Way
New Addington
Croydon
Surrey CR0 9UG

AUDITORS

Baker Tilly
Chartered Accountants
2 Newman Road
Bromley
Kent BR1 1RJ

Aztec Displays Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Aztec Displays Limited for the year ended 30 June 1997.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of design and manufacture of wire display units.

DIRECTORS

The following directors have held office since 1 July 1996:

CM Haridimou
MJ Ottmann
SM Barrett
Mrs WS Barrett
Mrs VT Haridimou

DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

	<i>Ordinary shares of £1 each</i>	
	1997	1996
CM Haridimou	4,000	4,000
MJ Ottmann	2,000	2,000
SM Barrett	1,000	1,000
Mrs WS Barrett	1,000	1,000
Mrs VT Haridimou	2,000	2,000

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board 12 SEPTEMBER 1997

Secretary



Aztec Displays Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires 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, directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of 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' REPORT TO THE MEMBERS OF AZTEC DISPLAYS LIMITED

We have audited the financial statements on pages 5 to 11.

Respective responsibilities of directors and auditors

As described on page 3 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.

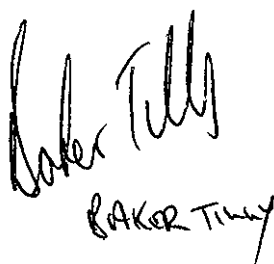
Basis of opinion

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 the company's affairs at 30 June 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



BAKER TILLY

Registered Auditor
Chartered Accountants
2 Newman Road
Bromley
Kent BR1 1RJ

16 SEPTEMBER 1997

Aztec Displays Limited
PROFIT AND LOSS ACCOUNT
for the year ended 30 June 1997

	<i>Notes</i>	1997 £	1996 £
TURNOVER	1	1,442,314	1,476,446
Cost of sales		977,422	1,067,158
Gross profit		464,892	409,288
Other operating expenses	2	353,401	347,401
OPERATING PROFIT		111,491	61,887
Investment income		1,554	2,355
		113,045	64,242
Interest payable		462	152
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	112,583	64,090
Tax on profit on ordinary activities	4	25,704	15,250
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		86,879	48,840
Dividends	5	60,000	30,000
RETAINED PROFIT FOR THE YEAR	11	£26,879	£18,840

The operating profit for the year arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

Aztec Displays Limited

BALANCE SHEET

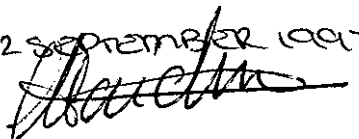
30 June 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	6	47,629	48,429
CURRENT ASSETS			
Stocks and work in progress	7	55,977	37,991
Debtors	8	331,190	253,374
Cash at bank and in hand		12,780	60,420
		399,947	351,785
CREDITORS: Amounts falling due within one year	9	304,269	283,786
NET CURRENT ASSETS		95,678	67,999
TOTAL ASSETS LESS CURRENT LIABILITIES		£143,307	£116,428
CAPITAL AND RESERVES			
Called up share capital	10	10,000	10,000
Profit and loss account	11	133,307	106,428
SHAREHOLDERS' FUNDS	12	£143,307	£116,428

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 12 September 1997

Director



Aztec Displays Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Leasehold premises	over 5 years
Plant and machinery	over 10 years
Office equipment	over 6-7 years

STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling prices less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow moving items.

LEASED ASSETS AND OBLIGATIONS

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

PENSIONS CONTRIBUTIONS

The company operates a defined contribution scheme. The costs of providing pensions for directors are charged in the profit and loss account as they arise.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

Aztec Displays Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 1997

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit before taxation, all of which arises in the United Kingdom, were all derived from its principal activity.

	1997 £	1996 £
2 OTHER OPERATING EXPENSES		
Administrative expenses	£353,401	£347,401

	1997 £	1996 £
3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		

Profit on ordinary activities before taxation is stated after charging:

Depreciation and amounts written off tangible fixed assets:

Charge for the year:

owned assets 8,536 8,361

Operating lease rentals:

Equipment 1,749 1,635

Land and buildings 41,403 43,460

Auditors' remuneration 3,875 4,313

Directors' remuneration including pension contributions 215,148 196,901

	1997 £	1996 £
4 TAX ON PROFIT ON ORDINARY ACTIVITIES		

Based on the profit for the year:

UK corporation tax at 23.25% (1996 24.75%) 25,750 15,250

Overprovided in previous year (46) -

	1997 £	1995 £
5 DIVIDENDS		
Ordinary:		
Interim paid - 600p (1996 300p)	£60,000	£30,000

Aztec Displays Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 1997

6	TANGIBLE FIXED ASSETS	<i>Freehold properties</i>	<i>Plant and machinery</i>	<i>Office equipment</i>	<i>Total</i>
		£	£	£	£
	Cost				
	1 July 1996	3,339	58,015	12,625	73,979
	Additions	-	8,403	-	8,403
	30 June 1997	3,339	66,418	12,625	82,382
	Depreciation				
	1 July 1996	2,670	16,192	6,688	25,550
	Charged in the year	668	6,642	1,893	9,203
	30 June 1997	3,338	22,834	8,581	34,753
	Net book value				
	30 June 1997	1	43,584	4,044	£47,629
	30 June 1996	669	41,823	5,937	£48,429
7	STOCKS AND WORK IN PROGRESS			1997	1996
				£	£
	Raw materials and consumables			15,050	11,857
	Work in progress			40,927	26,134
				£55,977	£37,991
8	DEBTORS			1997	1996
				£	£
	Due within one year:				
	Trade debtors			315,503	238,551
	Other debtors			13,097	12,682
	Prepayments and accrued income			2,590	2,141
				£331,190	£253,374

Aztec Displays Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 1997

		1997	1996
		£	£
9	CREDITORS: Amounts falling due within one year		
	Trade creditors	137,873	118,136
	Corporation tax	10,750	15,250
	Other taxation and social security costs	37,113	50,380
	Other creditors	115,204	96,898
	Accruals and deferred income	3,329	3,122
		<u>£304,269</u>	<u>£283,786</u>
		1997	1995
		£	£
10	SHARE CAPITAL		
	Authorised:		
	10,000 ordinary shares of £1 each	<u>£10,000</u>	<u>£10,000</u>
	Allotted, called up and fully paid:		
	10,000 ordinary shares of £1 each	<u>£10,000</u>	<u>£10,000</u>
		1997	1996
		£	£
11	PROFIT AND LOSS ACCOUNT		
	1 July 1996	106,428	87,588
	Profit for the financial year	26,879	18,840
		<u>£133,307</u>	<u>£106,428</u>
	30 June 1997		
		1997	1996
		£	£
12	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS		
	Profit after taxation	86,879	48,840
	Dividends	60,000	30,000
		<u>26,879</u>	<u>18,840</u>
	Net addition to shareholders' funds		
	Opening shareholders' funds	116,428	97,588
		<u>£143,307</u>	<u>£116,428</u>
	Closing shareholders' funds		

Aztec Displays Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 1997

13 COMMITMENTS UNDER OPERATING LEASES

At 30 June 1997 the company had annual commitments under non-cancellable operating leases as follows:

	1997 £	1996 £
Equipment		
expiring in the second to fifth year	1,339	1,339
Land and buildings		
expiring in the first year	41,000	41,000
expiring in the second to fifth year	-	-
	<u>£42,339</u>	<u>£42,339</u>

14 PENSION COMMITMENTS

The company operates a defined contribution pension scheme. Contributions in the year amounted to £3,000 (1996 £3,510).

Aztec Displays Limited

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT for the year ended 30 June 1997

	1997 £	1996 £
TURNOVER	1,442,314	1,476,446
COST OF SALES		
Opening stock and work in progress	37,991	51,641
Purchase of materials	528,361	593,090
Direct labour and subcontractors	424,011	436,721
Factory consumables	23,040	23,458
Samples	10	239
Carriage	19,987	-
	<u>1,033,400</u>	<u>1,105,149</u>
Closing stock and work in progress	(55,978)	37,991
	<u>977,422</u>	<u>1,067,158</u>
ADMINISTRATIVE EXPENSES		
Directors' remuneration	212,148	193,391
Wages and social security costs	21,657	22,650
Directors' pension	3,000	3,510
Rent, rates and service charges	61,277	69,162
Insurance	10,841	10,283
Travelling expenses	2,528	3,400
Telephone	2,768	2,925
Repairs and renewals	2,673	5,985
Light and heat	7,796	7,201
Printing, postage, stationery and advertising	4,717	7,076
Audit and accountancy	3,875	4,313
Legal and professional fees	545	-
Hire of equipment	1,749	1,635
Bank charges	2,196	2,525
General expenses	5,668	4,403
Bad debts	759	581
Amortisation of leasehold premises	668	667
Depreciation:		
Plant and equipment	6,642	5,801
Office equipment	1,894	1,893
	<u>353,401</u>	<u>347,401</u>
OPERATING PROFIT	<u>£111,491</u>	<u>£61,887</u>

This page does not form part of the statutory financial statements