

SIENA ARTWORKS LIMITED

COMPANY REGISTERED NO: 02744978

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1999



Arnold Hill & Co

Chartered Accountants

**Craven House
16 Northumberland Avenue
London WC2N 5AP**

SIENA ARTWORKS LIMITED

DIRECTORS' REPORT

The Directors' present their report and the audited financial statements for the year ended 31 December 1999.

REVIEW OF BUSINESS AND PRINCIPAL ACTIVITIES

The company did not trade during the year.

RESULTS AND DIVIDENDS

The company's loss for the year before tax is £ 889 (1998: Profit £ 53,507).

The directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The directors of the company who served during the year are as follows:

A J C Baird

R J Walton

D N C Baird

Details of the directors' interests in the share capital of the ultimate holding company are shown in the financial statements of that company.

SIENA ARTWORKS LIMITED

DIRECTORS' REPORT

AUDITORS

In accordance with Section 385 of the Companies Act 1995, a resolution to reappoint the auditors, Messrs Arnold Hill & Co, will be proposed at the Annual General Meeting.

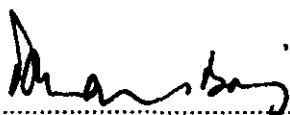
RESPONSIBILITY STATEMENT

With regard to accounting and financial matters, directors have clearly defined responsibilities.

Under Company Law, they are required to prepare financial statements each year and to present them to the Members at an Annual General Meeting. The form of the financial statements is prescribed by the Companies Act 1995 and they must give a true and fair view of the state of affairs of the company at the end of the year and of the result for the year. The financial statements should be prepared on a going concern basis unless it is inappropriate. The directors are responsible for the selection and consistent application of suitable accounting policies and, where necessary, for making prudent and reasonable estimates and judgements.

Additionally, the directors are responsible for safeguarding the assets of the company, for maintaining adequate accounting records and for preventing and detecting irregularities such as fraud.

ON BEHALF OF THE BOARD



D N C BAIRD
Director

21.04.2000
Date:

REPORT OF THE AUDITORS TO THE MEMBERS OF**SIENA ARTWORKS LIMITED**

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention 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 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

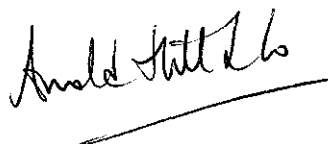
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 31 December 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1995.

Arnold Hill & Co
Chartered Accountants and Registered Auditors
Craven House
16 Northumberland Avenue
London WC2N 5AP



Date: 26 October 2000

SIENA ARTWORKS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 1999**

	<u>Notes</u>	<u>1999</u> <u>£</u>	<u>1998</u> <u>£</u>
Exceptional Income	3	-	53,453
Administration Expenses		<u>(889)</u>	<u>54</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(889)	53,507
Tax on Profit on Ordinary Activities	4	<u>-</u>	<u>-</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(889)	53,507
Reserves Brought Forward		<u>887</u>	<u>(52,620)</u>
Reserves Carried Forward		<u>£ (2)</u>	<u>£ 887</u>

All the company's activities are classed as discontinued.

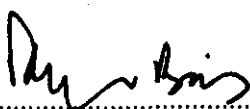
The company had no recognised gains or losses other than the result for the year.

The notes on pages 6 to 8 form part of these financial statements.

SIENA ARTWORKS LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 1999**

	<u>Notes</u>	<u>1999</u> <u>£</u>	<u>1998</u> <u>£</u>
FIXED ASSETS			
Tangible Assets	6	-	299
CURRENT ASSETS			
Cash at Bank and in Hand		-	978
CREDITORS: Amounts Falling Due within One Year	7	-	(388)
NET CURRENT ASSETS		-	590
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ NIL</u>	<u>£ 889</u>
CAPITAL AND RESERVES			
Called Up Share Capital	8	2	2
Profit and Loss Account		(2)	887
SHAREHOLDERS' FUNDS - EQUITY	9	<u>£ NIL</u>	<u>£ 889</u>

Approved by the Board for signing on 25/10/00



 D N C BAIRD
 Director

The notes on pages 6 to 8 form part of these financial statements.

SIENA ARTWORKS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****AS AT 31 DECEMBER 1999****1. ACCOUNTING POLICIES****a) Accounting Convention**

The financial statements are prepared under the historical cost convention and in accordance with all applicable Accounting Standards.

b) Depreciation

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

Fixtures, Fittings and Equipment	4 years
Computers	3 years

2. (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
This is stated after charging:		
Depreciation	299	300
Auditors' Remuneration - Audit	-	(650)
- Other	-	250
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3. EXCEPTIONAL INCOME

The exceptional income in the prior year related to the waiver of the parent company's loan, total £53,453.

4. TAXATION

There is no corporation tax charge for the year due to the availability of losses from prior years.

SIENA ARTWORKS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 1999****6. TANGIBLE FIXED ASSETS**

	<u>Computers</u>	<u>Fixtures Fittings and Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Cost			
At 1 January 1999	1,679	3,581	5,260
Disposed	(1,679)	(3,581)	(5,260)
31 December 1999	<u>£-</u>	<u>£-</u>	<u>£-</u>
Depreciation			
At 1 January 1999	1,380	3,581	4,661
Charge for period	299	-	299
Release on Disposal	(1,679)	(3,581)	(5,260)
At 31 December 1999	<u>£-</u>	<u>£-</u>	<u>£-</u>
Net Book Value			
At 31 December 1999	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>
At 31 December 1998	<u>£ 299</u>	<u>£ -</u>	<u>£ 299</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Trade Creditors	-	314
Other Creditors including Taxation and Social Security Costs	-	74
	<u>£-</u>	<u>£ 388</u>

SIENA ARTWORKS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 1999****8. CALLED UP SHARE CAPITAL**

	<u>1999</u>	<u>1999</u>	<u>1998</u>	<u>1998</u>
	<u>No</u>	<u>£</u>	<u>No</u>	<u>£</u>
Authorised				
Ordinary Shares of £1 each	<u>100</u>	<u>£100</u>	<u>100</u>	<u>£ 100</u>
	<u>No</u>	<u>£</u>	<u>No</u>	<u>£</u>
Issued, called up and fully paid				
Ordinary Shares of £1 each	<u>2</u>	<u>£2</u>	<u>2</u>	<u>£ 2</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Shareholders' Funds at 1 January	889	(52,618)
(Loss)/Profit for the Period	<u>(889)</u>	<u>53,507</u>
Shareholders' Funds at 31 December 1999	<u>£-</u>	<u>£ 889</u>

10. ULTIMATE PARENT COMPANY

Duncan Baird Publishing Limited, a company registered in England and Wales, is the ultimate parent company of Siena Artworks Limited.

11. RELATED PARTY TRANSACTIONS

Transactions undertaken with the ultimate holding company are exempt from disclosure by virtue of being included in the holding company's consolidated accounts.

12. CONTROL

The company is controlled by the board of directors of the holding company, Duncan Baird Publishing Limited.