

Company number : 2799219

AMENDED

ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)
FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 1994

Registered Office

4th Floor
315 Oxford Street
London
W1R 1LA

2997-94



ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)

DIRECTORS REPORT

The Directors submit their report and the audited financial statements for the year ended 31st December 1994.

ACTIVITIES

The principal activity of the company is that of an investment company.

The company changed its name from Mediaflex Limited with effect from 16th March 1995.

STATE OF AFFAIRS AND FUTURE DEVELOPMENT

The state of the company's affairs is as set out on page 5 of the financial statements. The directors expect the present level of activity to increase in the foreseeable future.

DIRECTORS AND SECRETARY

The directors who served during the year were:

	<u>Appointed</u>	<u>Resigned</u>
F M Forrai	20/08/97	-
J Butterfield	20/08/97	-
J D Parker	20/08/97	-
J R Beardsley	26/05/95	13/12/96
J H C Ingram	12/03/93	26/05/95
M W Denton	12/03/93	20/08/97

The directors had no interest in the share capital of the company as defined by the Companies Act 1985.

DIRECTORS RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)
DIRECTORS REPORT

RESULTS AND DIVIDENDS

The company's result for the year was a loss after taxation of £ 3,677 (1993 loss of £ 8,650).

The directors do not recommend the payment of a dividend (1993 - nil).

AUDITORS

Messrs. Edwards & Co. have expressed their willingness to continue in office in accordance with Section 385 of the Companies Act 1985 a resolution proposing their re-appointment will be presented at the Annual General Meeting.

FOR AND ON BEHALF OF THE BOARD



Director - J D Parker

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REPORT OF THE AUDITORS
TO THE MEMBERS OF
ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 accounts are free from material misstatement, whether caused by fraud or other irregularity or error.

However, the evidence available to us was limited because we were unable to obtain independent confirmation of the bank accounts and related information and have relied solely on bank statements provided to us to confirm bank balances held by the company.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the accounts.

QUALIFIED OPINION ARISING FROM LIMITATION IN AUDIT SCOPE

Except for any adjustments or additional disclosures that may have been found to be necessary had we obtained independent verification of the bank balances, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our audit work relating to the above, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

In all other respects, we have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

Edwards & Co.

EDWARDS & CO.
Chartered Accountants
Registered Auditors

Date .. *13/2/98*

ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1994

	Notes	1994 £	1993 £
Turnover		-	-
Cost of sales		-	-
Gross profit/(loss)		-	-
Administrative expenses		(3,677)	(8,607)
Operating loss	2	(3,677)	(8,607)
Interest payable and similar charges	3	-	(43)
Loss on ordinary activities before taxation		(3,677)	(8,650)
Taxation	4	-	-
Loss on ordinary activities after taxation		(3,677)	(8,650)
Retained losses brought forward		(8,650)	-
Retained losses carried forward		£ (12,327) =====	£ (8,650) =====

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.

The attached notes form part of these financial statements.

ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)

BALANCE SHEET

AS AT 31ST DECEMBER 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Investments	5	59,870	59,870
CURRENT ASSETS			
Debtors	6	-	1,083
Cash at bank		-	-
CREDITORS: Amounts falling due within one year			
	7	(71,197)	(68,603)
NET CURRENT LIABILITIES		(71,197)	(67,620)
TOTAL NET LIABILITIES		£ (11,327)	£ (7,650)
CAPITAL AND RESERVES			
Called up share capital	8	1,000	1,000
Profit and loss account		(12,327)	(8,650)
Shareholders Funds		£ (11,327)	£ (7,650)



 Director - J D Parker

Date

13/2/98

The attached notes form part of these financial statements.

ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1994

1. ACCOUNTING POLICIES

a. Accounting Convention

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

b. Compliance with Accounting Standards

The accounts have been prepared in accordance with applicable accounting standards.

c. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

d. Foreign Currencies

The company's accounting records are maintained in Pounds Sterling.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Monetary assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

e. Cash Flow

The financial statements 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".

f. Going Concern

The financial statements have been prepared on a going concern basis. This is considered appropriate, as the shareholders will continue to provide financial support to the company for the foreseeable future.

g. Group Accounts

Group accounts have not been prepared because, in the opinion of the directors, the company qualifies as a small group within the meaning of section 248 of the Companies Act 1985.

ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1994

2. OPERATING LOSS

	1994	1993
	£	£
This is stated after charging:-		
Formation expenses	-	750
Auditors remuneration	450	450
	=====	=====

3. INTEREST PAYABLE AND SIMILAR CHARGES

	1994	1993
	£	£
Loss on exchange	-	43
	=====	=====

4. TAXATION

Due to the losses incurred in the year, no provision has been made for UK corporation tax.

5. FIXED ASSET INVESTMENTS

The investment is stated at cost and in the opinion of the directors its value is at least equal to its cost.

The first accounts prepared for Arteus SA were for the period 1 July 1993 to 31 December 1994.

The investment was placed into liquidation on 1 February 1996. The outcome of the liquidation has not yet been fully determined.

Subsidiary Undertakings	Country	Shares held Class %	Capital & Reserves	Profit / (loss) for the period
Arteus SA	France	Ordinary 100	60,172	288

6. DEBTORS

	1994	1993
	£	£
Prepayments	-	1,083
	=====	=====

ARTEME (UK) LIMITED
(FORMERLY MEDIAFLEX LIMITED)

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1994

7. CREDITORS: Amounts falling due within one year:-

	1994	1993
	£	£
Shareholders loan	69,277	63,947
Other creditors and accruals	1,805	4,621
Bank overdraft	115	35
	<u>£ 71,197</u>	<u>£ 68,603</u>
	=====	=====

8. SHARE CAPITAL

Authorised share capital of the company comprises 10,000 shares at £1 each, of which 1,000 have been issued and are fully paid (1993 - 1,000).

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	1994	1993
	£	£
Loss for the financial year after tax	(3,677)	(8,650)
Reduction to shareholders funds	(3,677)	(8,650)
Opening shareholders funds at 01.01.94	(7,650)	-
Issue of share capital	-	1,000
Closing shareholders funds at 31.12.94	£ (11,327)	£ (7,650)
	=====	=====

10. CAPITAL COMMITMENTS

There were no major capital commitments at the balance sheet date.

11. CONTINGENT LIABILITIES

There were no known contingent liabilities at the balance sheet date.

12. DIRECTORS AND EMPLOYEES

The directors were the only employees during the year. The directors received no emoluments from the company during the year.