

Digital Colour Solutions Limited

Accounts for the year ended 29 March 1998
together with directors' and auditors' reports

Registered number: 2802366



Directors' report

For the year ended 29 March 1998

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 29 March 1998.

Statement of 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 those accounts, the directors are required to:

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

Principal activity and business review

The company's activities previously comprised the provision of colour reproduction services for the lithographic print industry.

On 31 December 1995 the company ceased trading and the business and assets were transferred to Avon Imaging Limited.

The results for the year ended 29 March 1998 are shown on page 4.

Results and dividends

The directors do not recommend the payment of a dividend and propose that the result for the year be transferred to reserves.

Directors' report (continued)

Directors and their interests

The directors who held office during the year were as follows:

S Hodgson

P Symonds

The directors who held office at 29 March 1998 had no interests in the shares of the company or other group undertakings requiring disclosure in accordance with Schedule 7 of the Companies Act 1985.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Arthur Andersen as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Units 10-12
Windmill Farm Business Centre
Bedminster
Bristol

By order of the Board,



S Hodgson
Director

26 June 1998

Auditors' report

Reading

To the Shareholders of Digital Colour Solutions Limited:

We have audited the accounts on pages 4 to 9 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 1, the company's directors are responsible for the preparation of the accounts. 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the company and of the group, 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. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 29 March 1998 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen

Chartered Accountants and Registered Auditors

Abbots House
Abbey Street
Reading
Berkshire
RG1 3BD

26 June 1998

Profit and loss account

For the year ended 29 March 1998

	Note	1998 £	1997 £
Administrative expenses		(6,049)	54,308
Operating (loss)/profit		(6,049)	54,308
Loss on disposal of fixed assets	5	-	(22,850)
(Loss)/profit on ordinary activities before taxation	2-4	(6,049)	31,458
Tax on (loss)/profit on ordinary activities		-	-
(Loss)/profit on ordinary activities after taxation and retained for the financial year		(6,049)	31,458
Retained deficit brought forward		(1,010,688)	(1,042,146)
Retained deficit carried forward		(1,016,737)	(1,010,688)

The accompanying notes are an integral part of this profit and loss account.

There were no recognised gains or losses in either year other than those shown above.

All activities were discontinued on 31 December 1995.

Balance sheet

As at 29 March 1998

	Note	1998 £	1997 £
Current assets			
Debtors	6	41,751	44,260
Cash at bank and in hand		-	-
		<u>41,751</u>	<u>44,260</u>
Creditors: Amounts falling due within one year	7	<u>(1,058,388)</u>	<u>(1,054,848)</u>
Net current liabilities being total assets less current liabilities being - net liabilities		<u>(1,016,637)</u>	<u>(1,010,588)</u>
Capital and reserves			
Called-up share capital	8	100	100
Profit and loss account		<u>(1,016,737)</u>	<u>(1,010,688)</u>
Equity shareholders' funds	9	<u>(1,016,637)</u>	<u>(1,010,588)</u>

Signed on behalf of the Board

S Hodgson



Director

26 June 1998

The accompanying notes are an integral part of this balance sheet.

Statement of accounting policies (continued)

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. They have been prepared on a break up basis because the company has ceased to trade.

At 29 March 1998 the company had net liabilities of £1,016,637 (1997: £1,010,588). The directors are of the opinion that the break up basis continues to be the appropriate basis for the preparation of the accounts as the company has ceased to trade.

Cash flow statement

Under the provisions in Financial Reporting Standard 1, the company is exempt from the requirement to disclose a cash flow statement as its ultimate parent, Hurst Publishing Limited, produces accounts which contain a consolidated cash flow.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Related party transactions

Under the provisions of Financial Reporting Standard 8, the company is exempt from the requirement to disclose details of relevant related party transactions, as its ultimate parent company, Hurst Publishing Limited produces consolidated accounts which are publicly available.

Notes to accounts

29 March 1998

1 Turnover

As the company ceased trading in December 1995, there has been no turnover derived from trading activities during the year.

2 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging:

	1998 £	1997 £
Auditors' remuneration - audit	<u>-</u>	<u>500</u>

3 Remuneration of directors

The directors received no emoluments from the company during the year (1997: £Nil).

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	1998 Number	1997 Number
Management and administration	<u>3</u>	<u>3</u>
	<u>3</u>	<u>3</u>

The aggregate payroll costs of these persons were as follows:

	1998 £	1997 £
Wages and salaries	-	-
Social security costs	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Notes to accounts (continued)

5 Losses on disposal of the business

These arise from the transfer of the company's business to Avon Imaging Limited. The losses comprise the following:

	1998 £	1997 £
Loss on disposal of fixed assets transferred at market value and provision for loss on remaining assets	-	22,850

These items have no effect on the tax charge for the year.

6 Debtors

Amounts falling due within one year:

	1998 £	1997 £
Amounts owed by other group undertakings	38,435	39,260
Prepayments	3,316	5,000
	<u>41,751</u>	<u>44,260</u>

The amounts owed by group undertakings comprise:

Parent and fellow subsidiary undertakings	<u>38,435</u>	<u>39,260</u>
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7 Creditors: Amounts falling due within one year

	1998 £	1997 £
Bank loans and overdrafts	2,065	1,100
Amounts owed to other group undertakings	1,054,338	1,036,198
Other creditors including taxation and social security:		
- Other creditors	192	192
Accruals and deferred income	<u>1,793</u>	<u>17,358</u>
	<u>1,058,388</u>	<u>1,054,848</u>

Notes to accounts (continued)

8 Called-up share capital

	1998 £	1997 £
<i>Authorised</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted, called-up and fully paid</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9 Reconciliation of movements in shareholders' funds

	1998 £	1997 £
Opening equity shareholders' funds	(1,010,588)	(1,042,046)
(Loss)/profit for the financial year	<u>(6,049)</u>	<u>31,458</u>
Closing equity shareholders' funds	<u>(1,016,637)</u>	<u>(1,010,588)</u>

10 Commitments

- (i) There were no capital commitments either contracted or authorised at the end of both financial years.
- (ii) Annual commitments under non-cancellable operating leases are nil (1997: £nil).

11 Immediate and ultimate parent companies

The company's immediate parent company is Wiltshire (Bristol) Limited, a company registered in England and Wales.

The largest and smallest group in which the results of the company are consolidated is headed by its ultimate parent company, Hurst Publishing Limited, which is registered in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from AutoTrader House, Reading, RG6 4UT.