

THE SAFFRON PARTNERSHIP LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD

22ND FEBRUARY 1994 TO 28TH FEBRUARY 1995

HANKS & COMPANY

CHARTERED ACCOUNTANTS

SUTTON SURREY



THE SAFFRON PARTNERSHIP LIMITED

CONTENTS

1. DIRECTORS REPORT
2. BALANCE SHEET
3. PROFIT AND LOSS ACCOUNT
- 4-6. NOTES TO THE FINANCIAL STATEMENTS
7. ACCOUNTANTS REPORT

THE SAFFRON PARTNERSHIP LIMITED

DIRECTORS REPORT

DIRECTORS

A J Champion
L R Darer
E Scott

SECRETARY

L R Darer

REGISTERED OFFICE

Bank House
1/7 Sutton Court Road
Sutton
Surrey SM1 4SZ

REGISTERED NUMBER

2900802

FINANCIAL STATEMENTS

The directors submit their report and the audited financial statements for the period ended 28th February 1995.

DIRECTORS RESPONSIBILITIES

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company for that period.

In preparing those financial statements the directors are required to select suitable accounting policies and then apply them consistently. The directors are also required to make judgements and estimates that are reasonable and prudent. Finally they must prepare 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 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.

DIVIDENDS

On 28th February 1995 a dividend of £30.30 per share was paid. The directors do not recommend the payment of a further dividend.

REVIEW OF THE BUSINESS

The company was incorporated on 22nd February 1994 and commenced trading on 1st September 1994. The company's principal activities during the period were those of advertising and design project management.

The directors are pleased to report a pre-tax profit of £14,659 for the period.

DIRECTORS INTERESTS

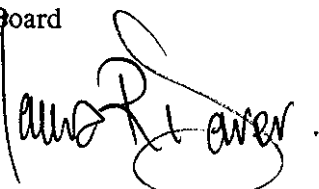
The directors interests in the share capital of the company were as follows:

£1 Ordinary Shares

A J Champion	33
L R Darer	33
E Scott	33

By order of the Board

SECRETARY



THE SAFFRON PARTNERSHIP LIMITED

BALANCE SHEET

AS AT 28TH FEBRUARY 1995

	<u>NOTE</u>	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible assets	2		15,434
<u>CURRENT ASSETS</u>			
Debtors	3	8,446	
Bank balances and cash		<u>20,355</u>	
		28,801	
<u>CREDITORS</u> : amounts falling due within one year	4	<u>36,621</u>	
<u>NET CURRENT LIABILITIES</u>			(7820)
			<u>7,614</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	5		99
Profit and loss account	6		<u>7,515</u>
			<u>7,614</u>

In the Directors' opinion the company is entitled to the exemption from audit conferred by sub-Section 2 of Section 249A Companies Act 1985 for the period ended 28th February 1995.

The Directors confirm that no notice under Section 249B(2) Companies Act 1985 requiring an audit has been deposited by members.

The Directors confirm that they are responsible for:

- ensuring that the company keeps accounting records which comply with the requirements of Section 221 Companies Act 1985, and
- preparing accounts which give a true and fair view of the state of affairs of the company as at 28th February 1995 and of its results for the period then ended in accordance with the requirements of Section 226 Companies Act 1985, and which otherwise comply with the requirements of this Act relating to the accounts, so far as applicable to the company.

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS ON 18th April 1995

Alison Chesnut

THE SAFFRON PARTNERSHIP LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 28TH FEBRUARY 1995

	<u>NOTE</u>	<u>£</u>
<u>TURNOVER</u>		98,326
Cost of sales		<u>37,791</u>
<u>GROSS PROFIT</u>		60,535
Administrative expenses		<u>45,901</u>
<u>OPERATING PROFIT</u>		14,634
Interest receivable	10	<u>25</u>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>	9	14,659
Tax on profit on ordinary activities	8	<u>4,144</u>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		10,515
Dividend	7	<u>3,000</u>
<u>RETAINED PROFIT FOR THE PERIOD</u>	6	<u>7,515</u>

THE SAFFRON PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 1995

1. ACCOUNTING POLICIES

a) Accounting Convention

The financial statements have been prepared under the historical cost convention.

b) Deferred Taxation

Provision is made on the liability method for deferred taxation in respect of material timing differences which are expected to reverse within the foreseeable future.

c) Depreciation

Depreciation is charged on a straight line basis at the following rate, which is expected to reduce the assets to their net realisable values over their estimated lives:

Furniture, fittings and equipment	20% per annum
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d) Turnover

Turnover is calculated net of value added tax and represents the total amount receivable by the company in respect of goods sold and services supplied during the period.

2. TANGIBLE ASSETS

Movements during the period are summarised as follows:

	<u>Furniture, Fittings & Equipment</u> £
<u>COST</u>	
Additions	<u>19,293</u>
As at 28th February 1995	<u>19,293</u>
<u>DEPRECIATION</u>	
Charged	<u>3,859</u>
As at 28th February 1995	<u>3,859</u>
<u>NET BOOK VALUE</u>	
As at 28th February 1995	<u>15,434</u>

THE SAFFRON PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 28TH FEBRUARY 1995

3. DEBTORS

	£
Trade debtors	3,351
Prepayments	<u>5,095</u>
	<u>8,446</u>

All amounts included above are receivable within one year of the balance sheet date.

4. CREDITORS: amounts falling due within one year

	£
Trade creditors	14,472
Current corporation tax	3,394
Other taxes and social security costs	1,638
Accruals	<u>17,117</u>
	<u>36,621</u>

5. SHARE CAPITAL

The authorised share capital is 10,000 ordinary shares of £1 each.

The issued share capital is 99 ordinary shares of £1 each, fully paid.

6. PROFIT AND LOSS ACCOUNT

	£
Retained profit for the period	<u>7,515</u>
Balance at 28th February 1995	<u>7,515</u>

7. DIVIDENDS

	£
£30.30 per share paid 28th February 1995	<u>3,000</u>

THE SAFFRON PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 28TH FEBRUARY 1995

8. TAXATION

	£
Corporation tax based on current profit at 25%	<u>4,144</u>
As per profit and loss account	<u>4,144</u>

The 'close' company provisions of the Income and Corporation Taxes Act 1988 apply to the company.

9. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit is stated after charging:	£
Depreciation	3,859
Directors fees	<u>21,489</u>

10. INTEREST RECEIVABLE

	£
Deposit interest received	<u>25</u>

11. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 28th February 1995 the directors had authorised no further capital expenditure. There were no contingent liabilities at the balance sheet date.

12. EMPLOYEES

There were no employees during the period other than the three directors.

	£
Wages and salaries	<u>21,489</u>
including the following:	
Social security costs	<u>1,989</u>

ACCOUNTANT'S REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS
OF THE SAFFRON PARTNERSHIP LIMITED

We report on the accounts for the period ended 28th February 1995 set out on pages 2 to 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANT

As described on page 2 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

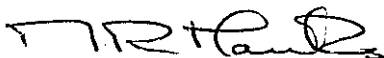
BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. The procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- a) the accounts are in agreement with those accounting records kept by the company under Section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the period specified in Section 249A(4) of the Act and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).



HANKS & COMPANY
CHARTERED ACCOUNTANTS

BANK HOUSE
SUTTON COURT ROAD
SUTTON
SURREY

DATE: 25/4/95