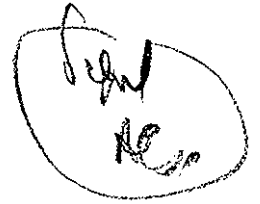


BLYTH'S ART SHOP LIMITED
COMPANY REGISTRATION NUMBER 2992624

*Companies
House*



DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
PERIOD 21 NOVEMBER 1994 TO 31 MARCH 1996



LUNT, JORDAN & CO.
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BLYTH'S ART SHOP LIMITED

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BLYTH'S ART SHOP LIMITED

DIRECTORS' REPORT FOR THE PERIOD

21 NOVEMBER 1994 TO 31 MARCH 1996

The Directors submit their Report and Financial Statements for the period 21 November 1994 to 31 March 1996.

PRINCIPAL ACTIVITIES

The principal activity of the company was the supply of graphic art, office materials and equipment through an art shop.

DIRECTORS AND THEIR INTERESTS

The directors who served during the period and their interest in the company were as stated below.

	<u>Class of Share</u>	<u>Number of Shares 31.3.96</u>
D B Thornton	Ordinary	50
H M Thornton	Ordinary	50

DIRECTORS' RESPONSIBILITIES

Company law requires the 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, the 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 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.

ACCOUNTANTS

The accountants, Lunt, Jordan & Company, have expressed their willingness to continue, and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

BLYTH'S ART SHOP LIMITED

DIRECTORS' REPORT FOR THE PERIOD

21 NOVEMBER 1994 TO 31 MARCH 1996 Cont'd... ..

TAX STATUS

In the opinion of the Directors the close company provisions of the Income and Corporation Taxes Act 1988 do apply to the Company.

APPROVAL OF REPORT

In preparing this Report, the directors' have taken advantage of special exemptions available to small companies.

The Report was approved by the Board on 23 October 1996 and signed on its behalf.

BY ORDER OF THE BOARD

A handwritten signature in dark ink, appearing to read 'D.B. Thornton', with a horizontal line underneath.

D B THORNTON
CHAIRMAN

Amazon House,
3 Brazil Street,
Manchester,
M1 3PJ.

BLYTH'S ART SHOP LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD 21 NOVEMBER 1994 TO 31 MARCH 1996

	<u>1996</u>
	£
TURNOVER	40,384
Cost of Sales	<u>24,177</u>
GROSS PROFIT	16,207
Administrative Expenses	<u>16,695</u>
Operating (Loss)	<u>(488)</u>

STATEMENT OF TOTAL RECOGNISED GAINS

There were no recognised gains or losses other than the profit or loss for the year in the above financial period.

CONTINUING OPERATIONS

None of the company's activities was discontinued or acquired during the above financial period.

The Notes on page 5 form part of these Financial Statements

BLYTH'S ART SHOP LIMITED

BALANCE SHEET AS AT 31 MARCH 1996

	<u>Notes</u>	<u>£</u>	<u>£</u>
CURRENT ASSETS			
Cash at Bank		<u>231</u>	
CURRENT LIABILITIES			
Associated Company Loan		119	
Creditors: Amounts falling due within one year	3	<u>500</u>	
		<u>619</u>	
NET CURRENT (LIABILITIES)			<u>(388)</u>
NET (LIABILITIES)			<u>(388)</u>
CAPITAL AND RESERVES			
Called up Share Capital	4		100
Profit and Loss Account	5		<u>(488)</u>
Shareholders Funds	6		<u>(388)</u>

DIRECTORS' STATEMENTS ON UNAUDITED FINANCIAL STATEMENTS

- (a) for the year in question the company was entitled to exemption under subsection (1) of Section 249A of the Companies Act 1985.
- (b) no notice has been deposited under subsection (2) of Section 249B.
- (c) the directors acknowledge their responsibility for:
 - (i) ensuring that the company keeps proper accounting records which comply with Section 221, and
 - (ii) preparing Financial Statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to Financial Statements, so far as applicable to the company.
- (d) advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8.
- (e) advantage has been taken, in the preparation of the Financial Statements, of special exemptions applicable to small companies.
- (f) in the opinion of the directors, the company is entitled to those exemptions on the basis that it qualifies as a small company under Section 247.

The Board of Directors approved these Financial Statements on 23 October 1996.

. D B Thornton D B THORNTON
 H M Thornton H M THORNTON

The notes on page 5 form part of these Financial Statements.

BLYTH'S ART SHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 21 NOVEMBER 1994 TO 31 MARCH 1996

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The Financial Statements are prepared under the historical cost convention.

TURNOVER

Turnover represents amounts receivable for goods and services provided in the U.K. net of VAT and trade discounts.

2. OPERATING PROFIT

Operating profit is stated after charging:	<u>1996</u>
	£
Accountants Remuneration	500
Management Charge	<u>15,000</u>

3. CREDITORS

Amounts falling due within one year:

Other Creditors	<u>500</u>
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4. SHARE CAPITAL

Authorised, called up and fully paid 100 ordinary shares of £1 each	<u>100</u>
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5. PROFIT & LOSS ACCOUNT

Retained Loss for the period	(488)
Accumulated Losses at 31 March 1996	(488)

6. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

Issue of Shares	100
Losses for the Period	(488)
Shareholders Funds	<u>(388)</u>

BLYTH'S ART SHOP LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

PERIOD 21 NOVEMBER 1994 TO 31 MARCH 1996

	£	£
SALES		40,384
<u>Deduct: Purchases</u>	(59.9%)	<u>24,177</u>
GROSS PROFIT	(40.1%)	16,207
<u>Deduct: ADMINISTRATION EXPENSES</u>		
Advertising	161	
Accountancy	500	
Bank Charges	39	
Commissions	41	
Printing & Stationery	277	
Wages	335	
Sundry Expenses	342	
Management Charges	<u>15,000</u>	
		<u>16,695</u>
NET (LOSS) FOR THE PERIOD		<u>(488)</u>