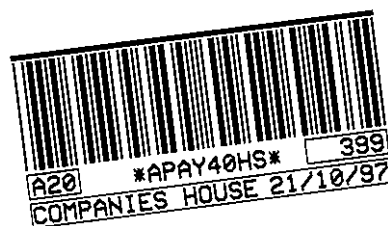


SCIENCE PHOTO LIBRARY LIMITED
ABBREVIATED FINANCIAL STATEMENTS

31ST DECEMBER 1996

Registered number: 1550520



LINDFORD & COMPANY
CHARTERED ACCOUNTANTS

SCIENCE PHOTO LIBRARY LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31st December 1996

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SCIENCE PHOTO LIBRARY LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Auditors' report to
Science Photo Library Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 4 together with the financial statements of Science Photo Library Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1996, and the abbreviated financial statements on pages 2 to 4 have been properly prepared in accordance with that Schedule.

Other information

On October 1997 we reported, as auditors of Science Photo Library Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1996, and our audit report was as follows:

'We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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.

continued

SCIENCE PHOTO LIBRARY LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
(continued)

Auditors' report to
Science Photo Library Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

Basis of opinion

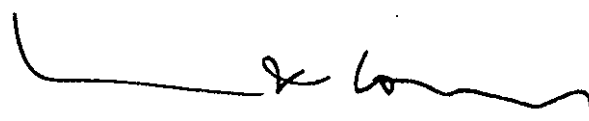
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 error or other irregularity. 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 as at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

October 1997



Lindford & Company
Registered Auditors
Chartered Accountants

SCIENCE PHOTO LIBRARY LIMITED

ABBREVIATED BALANCE SHEET

at 31st December 1996

	Note	1996 £	1995 £
Fixed assets			
Tangible assets	2	129,942	156,994
Investments	2	66,710	-
		<u>196,652</u>	<u>156,994</u>
Current assets			
Debtors		707,836	419,423
Cash at bank and in hand		598,028	791,911
		<u>1,305,864</u>	<u>1,211,334</u>
Creditors: amounts falling due within one year		(721,338)	(623,129)
		<u>584,526</u>	<u>588,205</u>
Net current assets		<u>584,526</u>	<u>588,205</u>
Total assets less current liabilities		<u>781,178</u>	<u>745,199</u>
Capital and reserves			
Called up share capital	3	10,000	10,000
Profit and loss account		771,178	735,199
		<u>781,178</u>	<u>745,199</u>
Total shareholders' funds		<u>781,178</u>	<u>745,199</u>

continued

SCIENCE PHOTO LIBRARY LIMITED

ABBREVIATED BALANCE SHEET
(continued)

at 31st December 1996

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The abbreviated financial statements on pages 2 to 4 were approved by the board of directors on October 1997.

A handwritten signature in black ink, appearing to be 'M Marten', with a long horizontal flourish extending to the right.

M Marten
Director

SCIENCE PHOTO LIBRARY LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	over period of lease
Computer equipment	25%
Motor vehicles	25%
Fixtures and fittings	10%

Investments

Investments held as fixed assets are stated at cost.

Pensions costs

Contributions are charged to the profit and loss account as they become payable.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate ruling at the balance sheet date. All exchange differences are taken to the profit and loss account.

SCIENCE PHOTO LIBRARY LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

2 Fixed assets

Cost or valuation	Tangible fixed assets £	Fixed asset investments £	Total £
1st January 1996	337,977	-	337,977
Additions	43,042	66,710	109,752
31st December 1996	381,019	66,710	447,729
Depreciation			
1st January 1996	180,984	-	180,984
Charge for year	70,093	-	70,093
31st December 1996	251,077	-	251,077
Net book amount			
31st December 1996	129,942	66,710	196,652
1st January 1996	156,994	-	156,994

3 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised	10,000	10,000	10,000	10,000
Allotted called up and fully paid				
Equity shares				
Ordinary shares	10,000	10,000	10,000	10,000