COMPANY NUMBER: 01590421

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE

UNAUDITED ACCOUNTS OF KINGFISHER TAPES LIMITED

The following reproduces the text of the report prepared for the purposes of Section 249A(2) Companies Act 1985 in respect of the company's annual accounts, from which the abbreviated accounts (set out on pages 2 and 3) have been prepared.

'We report on the accounts for the year ended 31st July 1997 set out on pages 4 to 9.

RESPECTIVE RESPONSIBILITES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 5, 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 responsibilty 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. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

(a) the accounts are in agreement with the 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 year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).'

Field & Co ,
Reporting Accountants
Hyde House, The Hyde,
Edgware Road,
London, NW9 6LH.

18th February 1998

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COMPANIES HOUSE 13/03/98

KINGFISHER TAPES LIMITED COMPANY NUMBER: 01590421

ABBREVIATED BALANCE SHEET AS AT 31ST JULY 1997

	Note	1997 £	1997 £	1996 £	1996 £
FIXED ASSETS					
Tangible assets			11,588		15,150
CURRENT ASSETS					
Stock		18,875		16,130	
Debtors		60,574		64,352	
Cash at bank and in hand		677		-	
		80,126		80,482	
CREDITORS amounts falling due within one year		56,705		63,718	
NET CURRENT ASSETS			23,421		16,764
TOTAL ASSETS LESS CURRENT LIABILITIES			35,009		31,914
CREDITORS amounts falling due after more than one year			3,556		6,767
			£ 31,453		£ 25,147
Financed by:					
CAPITAL AND RESERVES					
Called up share capital			100		100
Profit and loss account			31,353		25,047
			£ 31,453		£ 25,147

The directors have taken advantage of the exemption conferred by Section 249A(2) not to have these financial statements audited and confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that:

i) The company keeps accounting records which comply with section 221 of the Companies Act 1985, and

ii) The financial statements give a true and fair view of the state of affairs of the company as at 31st July 1997 and of its profit for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions 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 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

The financial statements were approved by the board on 18th February 1998.

T Hill)

)Directors
)
)

Mrs J K Bourke

The notes on page 3 form part of these financial statements.

KINGFISHER TAPES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST JULY 1997

1. ACCOUNTING POLICIES

The following are the more important accounting policies adopted by the company :-

a) **Basis of accounting**

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

b) **Depreciation**

Tangible fixed assets are depreciated at annual rates to write off the cost of the assets over their estimated useful lives using the following methods and rates:-

	% per annum	Method
Fixtures & fittings	25	reducing balance
Motor vehicles	25	reducing balance

c) **Stocks**

Stocks are valued at the lower of cost and net realisable value of each item or group of items.

d) **Hire purchase commitments**

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

2. SHARE CAPITAL

	1997	1996
	£	£
Authorised		
100 Ordinary shares of £1 each	£ 100	£ 100
Issued and fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100

3. FIXED ASSETS

	At 1.8.96	Additions / Charge	Disposals	At 31.7.97
Cost	49,096	299	-	49,395
Depreciation	33,946	3,861	-	37,807
	£ 15,150			£ 11,588