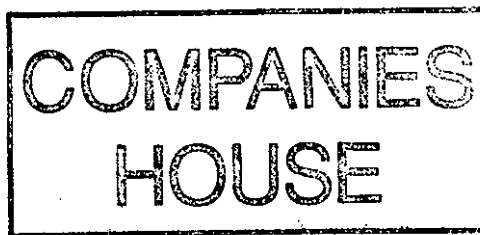


D S COLOUR LABS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1998



ROYCE PEELING GREEN
CHARTERED ACCOUNTANTS
HILTON CHAMBERS
15 HILTON STREET
MANCHESTER
M1 1JL



**AUDITOR'S REPORT TO D S COLOUR LABS LIMITED UNDER SECTION 247B OF
THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 3 to 6 together with the financial statements of the company for the year ended 30th September 1998 prepared under Section 226 of the Companies Act 1985 .

Respective responsibilities of the director and auditors

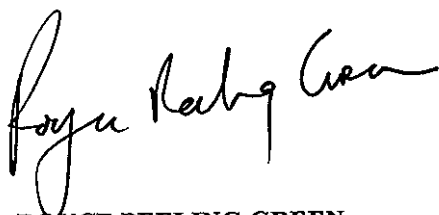
The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.



**ROYCE PEELING GREEN
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR**

26th February 1999

**HILTON CHAMBERS
15 HILTON STREET
MANCHESTER
M1 1JL**

D S COLOUR LABS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30TH SEPTEMBER 1998

	Notes	1998	1997
		£	£
Fixed Assets			
Intangible fixed assets	2	1	1
Tangible fixed assets	3	233,621	244,997
		<u>233,622</u>	<u>244,998</u>
Current Assets			
Stock		9,500	10,400
Debtors		5,823	8,567
Cash at bank and in hand		96,770	49,636
		<u>112,093</u>	<u>68,603</u>
Creditors:			
Amounts falling due within one year	4	(88,695)	(117,418)
Net Current Assets/(Liabilities)		<u>23,398</u>	<u>(48,815)</u>
Total Assets Less Current Liabilities		<u>257,020</u>	<u>196,183</u>
Amounts falling due after more than one year	4	-	(1,807)
Provisions for Liabilities and Charges			
Deferred taxation		(21,078)	(18,945)
		<u>235,942</u>	<u>175,431</u>
Capital and Reserves			
<i>Equity Interests</i>			
Share capital	5	2	2
Profit and loss account		235,940	175,429
TOTAL SHAREHOLDERS' FUNDS		<u>235,942</u>	<u>175,431</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These accounts were approved by the director on 26 February 1999

Mr David Eric Porter

DIRECTOR

The notes on pages 3 to 4 form part of these abbreviated accounts

D S COLOUR LABS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1998

1 PRINCIPAL ACCOUNTING POLICIES

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Alterations to rented premises	10 % straight line
Motor vehicles	25% reducing balance
Fixtures, fittings and equipment	15% reducing balance

Cash Flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise.

Contribution to Pension Funds

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

2 INTANGIBLE FIXED ASSETS

	Goodwill £	Total £
Cost		
At 1st October 1997	1	1
At 30th September 1998	1	1
Net Book Value		
At 30th September 1998	1	1
At 30th September 1997	1	1

D S COLOUR LABS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1998

3 TANGIBLE FIXED ASSETS

	Premium on leases	Alterations to Rented Premises	Motor vehicles	Fixtures, Fittings & Equipment	Total
Cost	£	£	£	£	£
At 1st October 1997	35,694	11,174	30,390	262,985	340,243
Additions	-	-	-	26,905	26,905
At 30th September 1998	35,694	11,174	30,390	289,890	367,148
Depreciation					
At 1st October 1997	14,098	559	3,029	77,560	95,246
Charged for the year	1,628	1,117	6,840	28,696	38,281
At 30th September 1998	15,726	1,676	9,869	106,256	133,527
Net Book Value					
Owned assets	19,968	9,498	12,685	183,634	225,785
Leased assets	-	-	7,836	-	7,836
At 30th September 1998	19,968	9,498	20,521	183,634	233,621
Owned assets	21,596	10,615	16,913	185,425	234,549
Leased assets	-	-	10,448	-	10,448
At 30th September 1997	21,596	10,615	27,361	185,425	244,997

4 SECURED CREDITORS

1998
£

1997
£

The aggregate of secured creditors by category is as follows:

Obligations under hire purchase and finance lease contracts	1,762	4,218
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5 SHARE CAPITAL

Authorised	Number	£
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, issued and fully paid	Number	£
2 ordinary shares of £1 each	2	2