

PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 1998

COMPANY NUMBER

2758537

2 St. Georges Business Centre
St. Georges Square
Old Portsmouth
Hampshire

RAY DYER CHARTERED ACCOUNTANTS
2 St. Georges Business Centre, St. Georges Square,
Old Portsmouth, Hampshire.



PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

DIRECTORS

M. P. Lenihan

SECRETARY

Mrs. M. J. Lenihan

REGISTERED OFFICE

2 St. Georges Business Centre
St. Georges Square
Old Portsmouth
Hampshire

BANKERS

Midland Bank plc
118 Commercial Road
Portsmouth
Hants.

ACCOUNTANTS

Ray Dyer Chartered Accountants

2 St. Georges Business Centre
St. Georges Square
Old Portsmouth
Hampshire

COMPANY NUMBER

2758537

PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their report and financial statements for the year ended 31st October 1998.

ACTIVITIES

The principal activity of the Company continued to be that of publishing and communications.

RESULTS AND DIVIDENDS

The accounts show a profit before taxation of :

This was all attributable to the principal activity.

The Directors declared dividends during the Year of:

The company transferred the following to Reserves for the Year:

1998
24665
2500
17551

1997
26937
0
836

DIRECTORS

The Directors who held office during the Year, were as follows:

M. P. Lenihan

Ordinary Shares of £1 each	
1998	1997
1	1

FIXED ASSETS

The fixed assets are shown in the notes to the accounts.

ACCOUNTANTS

The company has taken advantage of the relaxation in the statutory requirement to appoint an auditor, and have appointed Ray Dyer Chartered Accountants as the company's accountants for the ensuing year.

This report, which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the board on the 15th February 1999.

REPORT OF THE DIRECTORS - continued.

DIRECTORS RESPONSIBILITIES

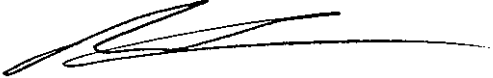
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing the accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

This report which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the Board on the 15th February 1999 and signed on it's behalf.

BY ORDER OF THE BOARD



M. P. Lenihan

15th February 1999

REPORT OF THE ACCOUNTANTS

TO THE MEMBERS OF: PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

We have examined the accounts set out on pages 6 to 10, without carrying out an audit for the year ended 31st October 1998, which have been prepared from the books and records of the business and from information and explanations supplied.

A handwritten signature in black ink, appearing to read 'Ray Dyer', with a stylized, cursive script.

RAY DYER CHARTERED ACCOUNTANTS

Old Portsmouth
Hampshire

15th February 1999

PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 1998

	NOTES	1998	1997
		£	£
Turnover	2	96440	13479
Cost of Sales		33265	7752
Gross Profit		63175	5727
Administrative Costs		17258	4476
Operating Costs		18582	5974
		27335	-4723
Interest Receivable	4	0	0
Rents Receivable		0	0
Interest Payable	3	2670	2720
Loss on Ordinary Activities		24665	-7443
Taxation	5	4614	0
Loss after Taxation for the Year		20051	-7443
Dividends: Paid	12	2500	0
Accumulated Loss		17551	-7443
Profit and Loss Account Brought Forward		-13154	-5711
Profit and Loss Account Carried Forward		4397	-13154

The notes on pages 8 to 11 form an integral part of the Financial Statements.

All trading activities of the company are continued.

There were no other recognised gain or losses not reflected through the Profit and Loss Account.

PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

BALANCE SHEET AS AT 31 OCTOBER 1998

	NOTES	1998 £	1997 £
FIXED ASSETS	14	8432	0
CURRENT ASSETS			
Stock	7	0	0
Debtors	8	20201	9375
Bank and Cash		17804	14995
		38005	24370
LESS: CREDITORS Amounts payable within one year.	10	27598	21376
NET CURRENT ASSETS / LIABILITIES		10407	2994
TOTAL ASSETS LESS CURRENT LIABILITIES		18839	2994
LESS: CREDITORS Amounts due after one year.	11	14440	16146
		4399	-13152
CAPITAL AND RESERVES			
Called up Share Capital	9	2	2
Profit and Loss Account	4	4397	-13154
EQUITY INTERESTS		4399	-13152

The notes on pages 8 to 11 form an integral part of the financial statements.

The Directors have:-

- taken advantage of section 249A(1) of the Companies Act 1985 in not having the accounts audited;
- have confirmed that no notice has been deposited under section 249B(2) of the Companies Act 1985;
- acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985;
- acknowledge their responsibility for preparing accounts which give a true and fair view of the company and of its profit for the year then ended in accordance with the requirements of section 226 and which comply with the requirements of this Act relating to accounts, so far as applicable to this company.

The Directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the grounds that the company qualifies as a small company by virtue of section 247 of the Companies Act 1985. The financial statements were approved by the Board on:

15th February 1999

and signed on its behalf.

M. P. Lenihan

Director

15th February 1999

PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 1998

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Financial Statements are prepared on the historical cost basis of accounting.

TURNOVER

Turnover represents gross invoices issued during the Year, less credit notes and Value Added Tax.

DEPRECIATION

Depreciation is calculated to write off the cost of fixed assets over their effective useful lives. The rates and bases of depreciation are as follows:

Office Equipment	15% Reducing Balance
Motor Vehicles	25% Reducing Balance
Computer Equipment	33% Reducing Balance

STOCKS AND WORK IN PROGRESS

Stocks have been valued at the lower of cost and net realisable value. Cost of stock is determined by purchase price including transport and handling costs less trade discounts. Net realisable value means estimated selling price less all costs to be incurred in marketing, selling and distribution.

DEFERRED TAXATION

Provision is made at the current rates for deferred taxation in respect of all material timing differences except to the extent that in the opinion of the Directors there is reasonable probability that the liability will not arise in the foreseeable future.

LEASED ASSETS

Fixed assets leased under finance leases are capitalised and depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. The cost of operating leases are charged to the profit and loss account as they accrue.

PENSION SCHEME

The Pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period. The scheme is a defined contributions scheme.

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES

The turnover and pre-tax profit are attributable to the principal activity of the company.

3. INTEREST PAYABLE

Interest on Tax
Bank Loans
Mortgage Interest

1998	1997
£	£
0	0
2670	2720
0	0
2670	3702

4. PROFIT ON ORDINARY ACTIVITIES

The Profit before taxation is stated after charging:

Directors Remuneration
Depreciation of Fixed Assets
Directors Pension Contributions
Management Charges

1998	1997
£	£
3240	1305
3026	0
0	0
0	0

PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 1998

4. PROFIT ON ORDINARY ACTIVITIES (continued)

And after Crediting:
Interest Received
Management Charges
Profit on sale of Assets

1998	1997
£	£
0	0
0	0
0	0

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

Taxation is based on the Profit for the Year, and comprises:
Corporation Tax at 21% .
Underprovision for prior years
Deferred Taxation

1998	1997
£	£
4614	0
0	0
0	0
4614	0

6. DIRECTORS AND EMPLOYEES

Wages and Salaries
Social Security Costs
Directors Pension Scheme
Staff Medical Scheme

1998	1997
£	£
10514	2512
0	0
0	0
0	0
10514	2512

The average number of people (including Directors) employed by the company during the year was as follows:

Production, Distribution and Selling
Administration

1998	1997
£	£
3	1
1	1
4	2

Remuneration in respect of directors was payable as follows:

Management Remuneration
Chairman / Highest Paid Director

1998	1997
£	£
3240	1305
0	0

Other Directors:
£10001 to £15000

1998	1997
£	£
0	0

7. STOCKS AND WORK IN PROGRESS

Stock
Work in Progress

1998	1997
£	£
0	0
0	0
0	0

Stocks are valued by the Directors at the lower of cost or net realisable value.

8. TRADE DEBTORS

Trade Debtors
Corporation Tax
Prepayments
Other Debtors

1998	1997
£	£
20201	9375
0	0
0	0
0	0
20201	9375

All amounts are receivable within 1 year.

PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 1998

9. SHARE CAPITAL

£ 1 Ordinary Shares	Authorised
	Allotted, called up and fully paid

1998	1997
1000	1000
2	2

10. CREDITORS

Amounts due within 1 Year

Trade Creditors
Bank Overdraft and Loans
PAYE and Other Taxes
Corporation Tax
Hire Purchase Account
Accruals and Other Creditors
Directors Loan Accounts

1998	1997
£	£
7247	6436
8506	6250
5731	4759
5213	1224
0	0
600	750
301	1957
27598	21376

11. CREDITORS

Amounts due after 1 Year

Mortgages
Bank Loan

1998	1997
£	£
0	0
14440	16146
14440	16146

12. DIVIDEND

Paid Ordinary Dividend

1998	1997
£	£
2500	0

13. BANK OVERDRAFT AND LOANS

Bank Overdraft
Bank Loans

1998	1997
£	£
0	0
22946	22396
22946	22396

The overdraft and loans are secured by way of a debenture over the assets of the company, together with personal guarantees from the Directors.

PORTMAN PUBLISHING AND COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 1998

14. FIXED ASSETS

The fixed assets of the Company are as follows:
COST OR VALUATION

Office Equipment
Motor Vehicles
Computer Equipment

DEPRECIATION

Office Equipment
Motor Vehicles
Computer Equipment

NET BOOK VALUE

Office Equipment
Motor Vehicles
Computer Equipment

BROUGHT FORWARD	ADDITIONS	DISPOSALS	CARRIED FORWARD
0	203	0	203
0	9000	0	9000
0	2255	0	2255
0	11458	0	11458
BROUGHT FORWARD	CHARGE FOR YEAR	DISPOSALS	CARRIED FORWARD
0	31	0	31
0	2250	0	2250
0	745	0	745
0	3026	0	3026
BROUGHT FORWARD			CARRIED FORWARD
0			172
0			6750
0			1510
0			8432

15. DEFERRED TAXATION

Deferred Taxation provided and unprovided for in the financial statements is set out below. The unprovided for amount represents a contingent liability at the balance sheet date and is calculated using tax rates of 21%.

Accelerated Capital Allowances
Less: Losses Carried Forward

Amount Unprovided	
1998	1997
£	£
0	0
0	0
0	0

16. CONTINGENT LIABILITIES

Deferred Taxation (see Note 15)
Other

1998	1997
£	£
0	0
0	0
0	0

17. MOVEMENT ON SHAREHOLDERS FUNDS

Profit for the Year
Less: Dividends

Opening Shareholders Funds

Closing Shareholders Funds

1998	1997
£	£
20051	-7443
2500	0
17551	-7443
-13154	-5711
4397	-13154