

Company Registration No. 627236 (England and Wales)



ABBOTT COLOUR TECHNOLOGY LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MAY 2003



ABBOTT COLOUR TECHNOLOGY LIMITED

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ABBOTT COLOUR TECHNOLOGY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2003

The directors present their report and financial statements for the year ended 31 May 2003.

Principal activities and review of the business

The principal activity of the company continues to be that of the provision of print solutions.

The directors are satisfied with the result for the year and with the state of the company's affairs.

Results and dividends

The results for the year are set out on page 4.

Directors

The following directors have held office since 1 June 2002:

G W Carmichael
A D Carmichael
D V Creese
J A Parkin
M Pickford
D Loach

A D Carmichael and D Loach retire by rotation, and being eligible, offer themselves for re-election.

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 May 2003	1 June 2002
G W Carmichael	-	-
A D Carmichael	-	-
D V Creese	100	100
J A Parkin	-	-
M Pickford	-	-
D Loach	-	-

The directors' interests in the shares of the immediate parent company, Southesk Communications Limited, and ultimate holding company, Southesk Holdings Limited, are disclosed in the financial statements of those companies.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Newby Castleman be reappointed as auditors of the company will be put to the Annual General Meeting.

ABBOTT COLOUR TECHNOLOGY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

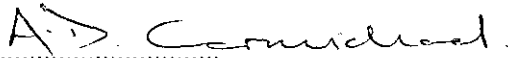
Directors' responsibilities

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:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

On behalf of the board



A D Carmichael
Director

Date: 19/2/04

ABBOTT COLOUR TECHNOLOGY LIMITED

INDEPENDENT AUDITORS' REPORT TO ABBOTT COLOUR TECHNOLOGY LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of the company for the year ended 31 May 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A 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 section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered 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 section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 15 are properly prepared in accordance with that provision.



Wendy Castleman

Date: 19/2/04

Chartered Accountants
Registered Auditor
West Walk Building
110 Regent Road
Leicester
LE1 7LT

ABBOTT COLOUR TECHNOLOGY LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2003

	Notes	2003 £	2002 £
Gross profit		1,045,591	1,067,673
Distribution costs		(142,552)	(148,201)
Administrative expenses		(888,313)	(830,564)
Operating profit	2	14,726	88,908
Other interest receivable and similar income		11	-
Interest payable and similar charges	3	(45,135)	(60,648)
(Loss)/profit on ordinary activities before taxation		(30,398)	28,260
Tax on (loss)/profit on ordinary activities	4	1,806	(8,599)
(Loss)/profit on ordinary activities after taxation	13	(28,592)	19,661
Retained profits brought forward		967,306	947,645
Retained profits carried forward		938,714	967,306

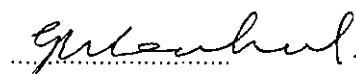
ABBOTT COLOUR TECHNOLOGY LIMITED

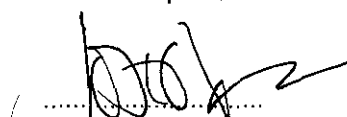
ABBREVIATED BALANCE SHEET AS AT 31 MAY 2003

	Notes	£	2003 £	£	2002 £
Fixed assets					
Tangible assets	5		1,096,302		1,345,267
Current assets					
Stocks	6	72,392		68,907	
Debtors	7	1,097,251		960,664	
Cash at bank and in hand		224		298	
			1,169,867	1,029,869	
Creditors: amounts falling due within one year	8	(1,095,416)		(1,054,364)	
Net current assets/(liabilities)			74,451		(24,495)
Total assets less current liabilities			1,170,753		1,320,772
Creditors: amounts falling due after more than one year	9		(134,576)		(223,188)
Provisions for liabilities and charges	10		(96,963)		(129,778)
			939,214		967,806
Capital and reserves					
Called up share capital	12		500		500
Profit and loss account	13		938,714		967,306
Shareholders' funds - equity interests	14		939,214		967,806

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 19/2/04.


G W Carmichael
Director


J A Parkin
Director

ABBOTT COLOUR TECHNOLOGY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2003

	2003		2002	
	£	£	£	£
Net cash inflow from operating activities		342,619		392,119
Returns on investments and servicing of finance				
Interest received	11		-	
Interest paid	(45,135)		(60,648)	
Net cash outflow for returns on investments and servicing of finance		(45,124)		(60,648)
Taxation		(16,254)		(16,860)
Capital expenditure				
Payments to acquire tangible assets	1,458		(183,158)	
Receipts from sales of tangible assets	10,700		18,000	
Net cash inflow/(outflow) for capital expenditure		12,158		(165,158)
Net cash inflow before management of liquid resources and financing		293,399		149,453
Financing				
Capital element of hire purchase contracts	(237,330)		(287,608)	
Net cash outflow from financing		(237,330)		(287,608)
Increase/(decrease) in cash in the year		56,069		(138,155)

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2003

1	Reconciliation of operating profit to net cash inflow from operating activities	2003	2002
		£	£
	Operating profit	14,726	88,908
	Depreciation of tangible assets	347,082	304,761
	Profit on disposal of tangible assets	(2,230)	(5,796)
	Increase in stocks	(3,485)	(52,020)
	(Increase)/decrease in debtors	(136,587)	57,562
	Increase/(decrease) in creditors within one year	123,113	(1,184)
	Group relief	-	(112)
	Net cash inflow from operating activities	342,619	392,119

2	Analysis of net debt	1 June 2002	Cash flow	Other non-cash changes	31 May 2003
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	298	(74)	-	224
	Bank overdrafts	(294,830)	56,143	-	(238,687)
		<u>(294,532)</u>	<u>56,069</u>	<u>-</u>	<u>(238,463)</u>
	Debt:				
	Hire purchase contracts	(419,450)	237,330	(108,045)	(290,165)
	Net debt	<u>(713,982)</u>	<u>293,399</u>	<u>(108,045)</u>	<u>(528,628)</u>

3	Reconciliation of net cash flow to movement in net debt	2003	2002
		£	£
	Increase/(decrease) in cash in the year	56,069	(138,155)
	Cash outflow from decrease in debt and hire purchase contracts	237,330	287,608
	Change in net debt resulting from cash flows	293,399	149,453
	New hire purchase contracts	(108,045)	(133,473)
	Movement in net debt in the year	185,354	15,980
	Opening net debt	(713,982)	(729,962)
	Closing net debt	<u>(528,628)</u>	<u>(713,982)</u>

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents the value, excluding value added tax, of goods and services supplied to customers during the year.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Computer equipment	25% per annum of cost
Plant and machinery	10% - 25% per annum of cost
Fixtures, fittings & equipment	10% per annum of net book value
Motor vehicles	25% per annum of cost

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.8 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating profit

	2003	2002
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	347,082	304,761
Auditors' remuneration	5,360	5,100
and after crediting:		
Profit on disposal of tangible assets	(2,230)	(5,796)

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

3	Interest payable	2003 £	2002 £
	On bank loans and overdrafts	11,279	10,561
	Hire purchase interest	33,856	50,087
		<u>45,135</u>	<u>60,648</u>
4	Taxation	2003 £	2002 £
	Domestic current year tax		
	U.K. corporation tax	31,894	17,139
	Adjustment for prior years	(885)	16,609
	Payment in respect of group relief	-	112
		<u>31,009</u>	<u>33,860</u>
	Current tax charge		
	Deferred tax		
	Deferred tax charge/credit current year	(32,815)	(25,261)
		<u>(1,806)</u>	<u>8,599</u>
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	<u>(30,398)</u>	<u>28,260</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2002: 20.00%)	<u>(9,119)</u>	<u>5,652</u>
	Effects of:		
	Non deductible expenses	5,545	3,690
	Depreciation add back	104,125	59,793
	Capital allowances	(61,888)	(52,631)
	Adjustments to previous periods	(885)	16,609
	Other tax adjustments	(6,769)	747
		<u>40,128</u>	<u>28,208</u>
	Current tax charge	<u>31,009</u>	<u>33,860</u>

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

5 Tangible fixed assets

	Computer equipment	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 June 2002	375,957	1,922,941	137,242	218,567	2,654,707
Additions	9,496	10,050	-	87,041	106,587
Disposals	-	-	-	(76,237)	(76,237)
	<u>385,453</u>	<u>1,932,991</u>	<u>137,242</u>	<u>229,371</u>	<u>2,685,057</u>
At 31 May 2003					
Depreciation					
At 1 June 2002	273,695	861,376	64,446	109,923	1,309,440
On disposals	-	-	-	(67,767)	(67,767)
Charge for the year	59,678	222,257	7,280	57,867	347,082
	<u>333,373</u>	<u>1,083,633</u>	<u>71,726</u>	<u>100,023</u>	<u>1,588,755</u>
At 31 May 2003					
Net book value					
At 1 June 2002	102,262	1,061,565	72,796	108,644	1,345,267
	<u>102,262</u>	<u>1,061,565</u>	<u>72,796</u>	<u>108,644</u>	<u>1,345,267</u>
At 31 May 2003	52,080	849,358	65,516	129,348	1,096,302
	<u>52,080</u>	<u>849,358</u>	<u>65,516</u>	<u>129,348</u>	<u>1,096,302</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Motor vehicles	Total
	£	£	£
Net book values			
At 1 June 2002	735,243	62,590	797,833
	<u>735,243</u>	<u>62,590</u>	<u>797,833</u>
At 31 May 2003	464,919	117,474	582,393
	<u>464,919</u>	<u>117,474</u>	<u>582,393</u>
Depreciation charge for the year			
31 May 2002	141,122	20,136	161,258
	<u>141,122</u>	<u>20,136</u>	<u>161,258</u>
31 May 2003	130,602	47,798	178,400
	<u>130,602</u>	<u>47,798</u>	<u>178,400</u>

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

6	Stocks and work in progress	2003 £	2002 £
	Raw materials and consumables	4,250	1,809
	Work in progress	44,038	56,910
	Finished goods and goods for resale	24,104	10,188
		<u>72,392</u>	<u>68,907</u>
7	Debtors	2003 £	2002 £
	Trade debtors	892,893	712,720
	Amounts owed by parent and fellow subsidiary undertakings	132,893	193,294
	Other debtors	1,698	6,198
	Prepayments and accrued income	69,767	48,452
		<u>1,097,251</u>	<u>960,664</u>
8	Creditors: amounts falling due within one year	2003 £	2002 £
	Bank loans and overdrafts	238,687	294,830
	Net obligations under hire purchase contracts	155,589	196,262
	Trade creditors	533,051	453,999
	Corporation tax	31,894	17,139
	Other taxes and social security costs	39,207	31,260
	Accruals and deferred income	96,988	60,874
		<u>1,095,416</u>	<u>1,054,364</u>

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

9 Creditors: amounts falling due after more than one year	2003 £	2002 £
Net obligations under hire purchase contracts	<u>134,576</u>	<u>223,188</u>
Net obligations under hire purchase contracts		
Repayable within one year	155,589	196,262
Repayable between one and five years	<u>134,576</u>	<u>223,188</u>
	290,165	419,450
Included in liabilities falling due within one year	<u>(155,589)</u>	<u>(196,262)</u>
	<u>134,576</u>	<u>223,188</u>

10 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 June 2002	129,778
Profit and loss account	<u>(32,815)</u>
Balance at 31 May 2003	<u>96,963</u>

The deferred tax liability is made up as follows:

	2003 £	2002 £
Accelerated capital allowances	<u>96,963</u>	<u>129,778</u>

11 Pension costs

Defined contribution

	2003 £	2002 £
Contributions payable by the company for the year	<u>16,659</u>	<u>16,738</u>

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

12 Share capital	2003	2002
	£	£
Authorised		
500 Ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>
Allotted, called up and fully paid		
500 Ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>
13 Statement of movements on profit and loss account		
		Profit and loss account £
Balance at 1 June 2002		967,306
Retained loss for the year		(28,592)
		<u>938,714</u>
Balance at 31 May 2003		<u>938,714</u>
14 Reconciliation of movements in shareholders' funds	2003	2002
	£	£
(Loss)/Profit for the financial year	(28,592)	19,661
Opening shareholders' funds	967,806	948,145
	<u>939,214</u>	<u>967,806</u>
Closing shareholders' funds	<u>939,214</u>	<u>967,806</u>
15 Capital commitments	2003	2002
	£	£
At 31 May 2003 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements	635,000	-
	<u>635,000</u>	<u>-</u>

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

16 Directors' emoluments	2003 £	2002 £
Emoluments for qualifying services	260,065	230,377
Company pension contributions to money purchase schemes	14,259	14,222
	<u>274,324</u>	<u>244,599</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2002- 3).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	<u>75,428</u>	<u>67,796</u>
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17 Transactions with directors

	Amount outstanding 2003 £	2002 £	Maximum in year £
M Pickford current account	<u>-</u>	<u>-</u>	<u>5,000</u>

During the year M Pickford purchased a car from the company at a market value of £1,250.

ABBOTT COLOUR TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
Production	42	38
Management and administration	7	7
	<u>49</u>	<u>45</u>

Employment costs

	£	£
Wages and salaries	1,056,947	1,013,229
Social security costs	103,095	93,883
Other pension costs	16,659	16,738
	<u>1,176,701</u>	<u>1,123,850</u>

19 Ultimate parent company

The ultimate parent company is Southesk Holdings Limited, a company registered in England and Wales.

20 Related party transactions

During the year the company paid management charges of £440,000 (2002 - £440,000) and rental charges of nil (2002 - £52,090) to Southesk Holdings Limited. At 31 May 2002, Southesk Holdings Limited owed the company £132,893 (2002 - £193,294).

During the year the company made sales of £247,959 (2002 - £117,921) to and purchased goods and services of £34,574 (2002 - £13,837) from Creativetronics Limited, a fellow subsidiary undertaking. At 31 May 2002, Creativetronics Limited owed the company £58,270 (2002 - £22,925) and the company owed Creativetronics Limited £22,562 (2002 - £nil).

Key Parker Limited became a fellow subsidiary of the company on the 17 March 2003. Since this date the company made sales of £65,896 to Key Parker Limited. At 31 May 2003 Key Parker Limited owed the company £131,411.