

LOCAL TYPESETTING AND GRAPHICS LIMITED

(Company Number 2371083)

**DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR TO 30 APRIL 2004**



DIRECTORS' REPORT

The Directors present their Report and the audited Financial Statements of the Company for the Year to 30 April 2004.

DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the Company's state of affairs and of its profit or loss for the year. When they prepare these statements the Directors are required to:

1. Select suitable accounting policies and apply them consistently.
2. Make judgements and estimates which are reasonable and prudent.
3. Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose, at any time and with reasonable accuracy, the Company's financial position and which enable them to ensure that the Financial Statements comply with the Companies Act 1985. The Directors are also responsible for safeguarding the Company's assets and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

PRINCIPAL ACTIVITY

Printing remains the Company's principal activity and there has been no change in this during the Year.

DIRECTORS

The Directors of the Company throughout the year and their interests, all of which are beneficial, in its issued ordinary shares were:

	ORDINARY SHARES HELD	
	30.4.04	30.4.03
BA Bernard - Haykian	51	51
J Bernard - Haykian	49	49

DIVIDENDS

Interim dividends of £85,000 have been paid which is £850.00 for each issued Ordinary Share. A final dividend is not proposed

This report takes advantage of the special exemptions available to small companies.

On behalf of the Board

Director

Joan Bernard-Haykian

BALANCE SHEET - 30 APRIL 2004

		30 April 2003
FIXED ASSETS (Note 2)	2,866	4,095
CURRENT ASSETS		
Debtors (Note 3)	72,000	69,000
Cash at bank and in hand	6,449	1,581
	<u>78,449</u>	<u>70,581</u>
CREDITORS		
Amounts falling due within one year (Note 4)	<u>76,806</u>	<u>63,817</u>
NET CURRENT ASSETS	1,643	6,764
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>4,509</u>	<u>10,859</u>
CREDITORS		
Amounts falling due after more than one year	-	-
	<u>£ 4,509</u>	<u>£ 10,859</u>
CAPITAL AND RESERVES		
Called up Share Capital (Note 5)	100	100
Profit and Loss Account	4,409	10,759
EQUITY SHAREHOLDERS' FUNDS	<u>£ 4,509</u>	<u>£ 10,859</u>

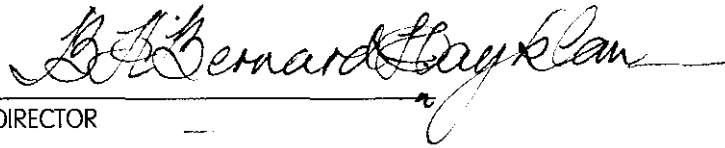
BALANCE SHEET - 30 APRIL 2004 - Continued

For the year to 30 April 2004 this Company is entitled to take advantage of the audit exemption conferred by subsection 1 of S249A of the Companies Act 1985. No notice about the Accounts for the year has been deposited under subsection 2 of S249B of this Act.

The Directors acknowledge their responsibility to ensure that the Company keeps accounting records which comply with S221 of the Act and for preparing Accounts which give a true and fair view of the Company's state of affairs at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of S226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to Accounts so far as they apply to the Company.

These Financial Statements take advantage of the special provisions for small companies in Part VII of the Companies Act 1985 and are in accordance with the "Financial Reporting Standard for Smaller Entities (effective June 2002)"

Signed on behalf of the Board



DIRECTOR

These Financial Statements were approved by the Board on 19 February 2005.

PROFIT AND LOSS ACCOUNT FOR THE YEAR TO 30 APRIL 2004

		<i>Year to 30.4.03</i>
TURNOVER (Note 6)	117,375	187,689
Change in Work-in-Progress	-	(68,605)
GROSS PROFIT	117,375	119,084
Staff Costs (Note 7)	(16,078)	(16,298)
Depreciation	(1,229)	(2,074)
Other Operating Charges	(2,846)	(3,707)
OPERATING PROFIT	97,222	97,005
Interest receivable (Note 8)	39	-
Interest payable (Note 9)	-	(472)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	97,261	96,533
TAXATION (Note 10)	(18,611)	(18,350)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	78,650	78,183
DIVIDENDS	(85,000)	(70,000)
RETAINED PROFIT FOR THE YEAR	(6,350)	8,183
REVENUE RESERVES BROUGHT FORWARD	10,759	2,576
REVENUE RESERVES CARRIED FORWARD	<u>£ 4,409</u>	<u>£ 10,759</u>

NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2004

1. ACCOUNTING POLICIES

Basis of Accounting

The Financial Statements have been prepared according to the historical cost convention, prevailing Accounting Standards, the terms of the Companies Act 1985 and the provisions of Part VII of the Act available to small companies, and the "Financial Reporting Standard for Smaller Entities (effective June 2002)"

Depreciation

Depreciation of Fixed Assets is provided to write off the net cost of each asset evenly over the term of its useful life. The rates generally in use are:

Motor vehicles - 30% of written down value a year

Hire Purchase and Leases

Assets acquired under Hire Purchase, Lease Purchase, and Finance Lease agreements are included in Fixed Assets at their cash equivalent purchase price and depreciated according to the Company's usual depreciation policies. Payments under operating leases are charged against revenue as the expenditure is incurred.

Cash Flow Statement

The Company has not published a cash flow statement. It has chosen to take advantage of the exemption afforded by Financial Reporting Standard No. 1 on the grounds that it is a small company.

NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2004 - Continued

2. TANGIBLE FIXED ASSETS

	Motor Vehicles
Cost	
1 May 2003	5,850
Additions	-
Disposals	-
30 April 2004	<u>5,850</u>
Depreciation	
1 May 2003	1,755
Eliminated on disposals	-
Charge for the Year	<u>1,229</u>
30 April 2004	<u>2,984</u>
Net Book Values	
30 April 2004	<u>£ 2,866</u>
30 April 2003	<u>£ 4,095</u>

3. DEBTORS	30.4.04	30.4.03
Prepayments and Accrued Income	72,000	69,000
Other Debtors	-	-
	<u>£ 72,000</u>	<u>£ 69,000</u>

4. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	30.4.04	30.4.03
Accrued Charges and Deferred Income	350	350
Taxation and Social Security	760	667
Related Company	57,085	44,450
Corporation Tax	18,611	18,350
Other Creditors	-	-
	<u>£ 76,806</u>	<u>£ 63,817</u>

NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2004 - Continued

5. CALLED UP SHARE CAPITAL	30.4.04	30.4.03
Authorised:		
1,000 Ordinary shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>
Allotted, issued and fully paid:		
100 Ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>

6. TURNOVER

Turnover is the amount receivable for goods and services provided during the Year. It excludes Value Added Tax and trade discounts. All turnover was within the United Kingdom.

7. STAFF COSTS

During the Year the average weekly number of employees (including directors) was three (2003 - three). Payroll costs were:

	2004	2003
Wages, Salaries, and Expenses	14,870	14,921
Social security costs	1,208	1,377
Other pension costs	-	-
	<u>£ 16,078</u>	<u>£ 16,298</u>

8. INTEREST RECEIVABLE

All interest receivable is on bank and other short term deposits.

9. INTEREST PAYABLE

All interest payable is on hire purchase contracts.

10. TAXATION

The provision is solely for UK Corporation Tax on the profit of the Year.

NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2004 - Continued

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2004	2003
Profit for the Financial Year	78,650	78,183
Dividends	(85,000)	(70,000)
Net change in shareholders' funds	(6,350)	8,183
Opening shareholders' funds	10,859	2,676
Closing shareholders' funds	<u>£ 4,509</u>	<u>£ 10,859</u>

All shareholders' funds are attributable to equity interests.

12. TRANSACTIONS WITH DIRECTORS AND RELATED COMPANIES

The Company provides printing and typesetting to Local Pages Limited - a Company in which the directors of this Company have a controlling interest. Charges of £45,376 have been raised and a further £72,000 accrued for the Year. These arrangements have been in place for some years. On 30 April 2004, £57,085 was owing to Local Pages Ltd.

The Company rents office premises from BA Bernard - Haykian and J Bernard - Haykian who are both directors. Rent of £1,060 has been charged for the Year. These arrangements too have been in place for some years..