

GADSBY & MUSTOE LIMITED

FINANCIAL STATEMENTS

30TH NOVEMBER 1994

Registered number: 1275528

TURPIN BARKER & ARMSTRONG

Sutton



GADSBY & MUSTOE LIMITED

FINANCIAL STATEMENTS

for the year ended 30th November 1994

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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GADSBY & MUSTOE LIMITED

COMPANY INFORMATION

30th November 1994

Incorporated in England on 1st September 1976

Number 1275528

CHAIRMAN

C. A. Gadsby

OTHER DIRECTORS

I. D. Gadsby

SECRETARY

I. D. Gadsby

REGISTERED OFFICE

39, Lind Road,
Sutton,
Surrey,
SM1 4PP.

BANKERS

Lloyds Bank PLC.,
3, St. George's Road,
London,
SW19 4DR.

AUDITORS

Turpin Barker & Armstrong

Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

GADSBY & MUSTOE LIMITED

DIRECTORS' REPORT

30th November 1994

The directors present their report and the audited financial statements for the year ended 30th November 1994.

Principal activity

The principal activity of the company was printing.

Business review

The company's balance sheet as detailed on page 7 shows a satisfactory position, shareholders' funds amounting to £113,493.

Profit, dividends and appropriations

The results for the year are shown in the profit and loss account on page 6.

An ordinary dividend amounting to £5,750 was proposed and paid and the profit for the year is to be transferred to reserves.

Fixed assets

Changes in fixed assets during the year are set out in note 10 to the accounts.

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 10.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	30th November 1994 Ordinary shares	1st December 1993 Ordinary shares
C. A. Gadsby	4,999	4,999
I. D. Gadsby	1	1

In accordance with the Articles of Association, I. D. Gadsby retires by rotation and offers herself for re-election.

continued

GADSBY & MUSTOE LIMITED

DIRECTORS' REPORT
(continued)

30th November 1994

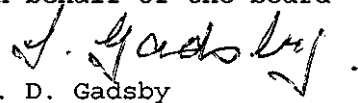
Future developments

Work is continuing on the development and modification of existing products to meet customers requirements and, through a continuing programme of research and development, to take advantage of new technology as it becomes available.

Auditors

Turpin Barker & Armstrong have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board


I. D. Gadsby
Secretary

39, Lind Road,
Sutton,
Surrey,
SM1 4PP.

26th September 1995

GADSBY & MUSTOE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

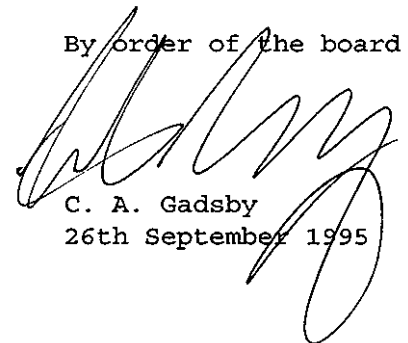
We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

By order of the board



C. A. Gadsby
26th September 1995

GADSBY & MUSTOE LIMITED

AUDITORS' REPORT

Auditors' report to the members of

Gadsby & Mustoe Limited

We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th November 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Handwritten signature: "Hart" and "for" with "FMA 1001" written above it.

Turpin Barker & Armstrong
Registered Auditors
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Handwritten date: "22 September 1995."

GADSBY & MUSTOE LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30th November 1994

	Note	1994 £	1993 £
Turnover	3	339,308	306,918
Cost of sales		(182,326)	(175,082)
Gross profit		156,982	131,836
Administrative expenses		(109,585)	(102,179)
Operating profit	4	47,397	29,657
Interest receivable & similar income	6	1,581	3,890
Profit on ordinary activities before interest payable		48,978	33,547
Interest payable & similar charges	7	(3,241)	(4,484)
Profit on ordinary activities before taxation		45,737	29,063
Taxation	8	(11,388)	(7,480)
Profit on ordinary activities after taxation		34,349	21,583
Dividends	9	(5,750)	-
Retained profit for the year	17	28,599	21,583

Continuing operations

None of the activities of the company were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

No gains or losses for the two years have been recognised in the financial statements, other than those reflected in the profit and loss account.

GADSBY & MUSTOE LIMITED

BALANCE SHEET

at 30th November 1994

	Note	1994 £	1993 £
Fixed assets			
Tangible assets	10	27,871	32,917
Current assets			
Stocks	12	4,195	6,113
Debtors	13	126,154	134,886
Cash at bank and in hand		5,965	122
		<u>136,314</u>	<u>141,121</u>
Creditors: amounts falling due within one year	14	(39,292)	(52,743)
Net current assets		<u>97,022</u>	<u>88,378</u>
Total assets less current liabilities		124,893	121,295
Creditors: amounts falling due after more than one year	15	(11,400)	(36,400)
		<u>113,493</u>	<u>84,895</u>
Capital and reserves			
Called up share capital	16	5,000	5,000
Profit and loss account	17	108,493	79,895
		<u>113,493</u>	<u>84,895</u>

The financial statements on pages 6 to 14 were approved by the board of directors on 26th September 1995

C. A. Gadsby



Director

GADSBY & MUSTOE LIMITED

NOTES ON FINANCIAL STATEMENTS

30th November 1994

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	On a straight line basis over the lease
Plant and machinery	15%
Motor vehicles	25%

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions

Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Basis of preparation

The financial statements have been prepared on the going concern basis.

3 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

NOTES ON FINANCIAL STATEMENTS

30th November 1994

4 Operating profit

	1994	1993
	£	£
Operating profit is stated after charging		
Auditors' remuneration	2,000	2,000
Directors' emoluments	34,086	33,265
Operating leases:-		
Hire of plant and machinery	1,579	1,519
Loss on sale of assets	134	-
	<u> </u>	<u> </u>
Depreciation of tangible fixed assets (note 10)		
Depreciation owned assets	5,151	6,087
	<u> </u>	<u> </u>

GADSBY & MUSTOE LIMITED

NOTES ON FINANCIAL STATEMENTS

30th November 1994

5 Directors and employees

	1994 £	1993 £
Staff costs including directors' emoluments		
Wages and salaries	95,756	91,563
Social security costs	10,661	9,229
Pension costs	10,663	10,063
	<u>117,080</u>	<u>110,855</u>
	Number	Number
Average number employed including executive directors		
Production staff	4	4
Office and management	2	2
	<u>6</u>	<u>6</u>
Directors	£	£
Directors' emoluments		
Remuneration	18,996	18,996
Pension scheme contributions	10,663	10,063
Benefits	4,427	4,206
	<u>34,086</u>	<u>33,265</u>

Pension costs

Defined contribution scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £10,663 (1993 £10,063). Contributions totalling £0 (1993 £0) were payable to the fund at 30th November 1994 and are included in creditors.

6 Investment income

	1994 £	1993 £
Interest receivable	81	-
Other non-trading income	1,500	3,890
	<u>1,581</u>	<u>3,890</u>

GADSBY & MUSTOE LIMITED

NOTES ON FINANCIAL STATEMENTS

30th November 1994

7 Interest payable

	1994 £	1993 £
Bank loans, overdrafts and other loans payable within five years	3,241	4,484
	<u>3,241</u>	<u>4,484</u>

8 Taxation

	1994 £	1993 £
Corporation tax on profit on ordinary activities at 25% (1993 25%)	11,388	7,480
	<u>11,388</u>	<u>7,480</u>

9 Dividends

	1994 £	1993 £
Final	5,750	-
	<u>5,750</u>	<u>-</u>

10 Tangible fixed assets

	Motor Vehicles £	Plant and Machinery £	Land and Buildings £	Total £
Cost				
1st December 1993	20,150	120,777	2,361	143,288
30th November 1994	20,150	120,777	2,361	143,288
Depreciation				
1st December 1993	17,018	91,815	1,418	110,251
Charge for year	783	4,368	141	5,292
30th November 1994	17,801	96,183	1,559	115,543
Net book amount				
30th November 1994	2,349	24,720	802	27,871
1st December 1993	3,132	28,842	943	32,917

GADSBY & MUSTOE LIMITED

NOTES ON FINANCIAL STATEMENTS

30th November 1994

11 Land and buildings

	1994	1993
	£	£
Short leasehold	802	943

12 Stocks

	1994	1993
	£	£
Raw materials	4,195	6,113
	4,195	6,113

13 Debtors

	1994	1993
	£	£
Amounts falling due within one year		
Trade debtors	123,057	122,557
Other debtors	639	7,796
Prepayments and accrued income	2,458	4,533
	126,154	134,886

14 Creditors: amounts falling due within one year

	1994	1993
	£	£
Bank overdraft	-	1,087
Trade creditors	20,991	36,741
Corporation tax	6,730	7,480
Other taxation and social security	5,383	4,967
Other creditors	5,180	97
Accruals and deferred income	1,008	2,371
	39,292	52,743

Bank borrowings are secured by means of a debenture over the assets of the company.

GADSBY & MUSTOE LIMITED

NOTES ON FINANCIAL STATEMENTS

30th November 1994

- 15 Creditors: amounts falling due
after more than one year

	1994 £	1993 £
Other loans	11,400	36,400
	<u>11,400</u>	<u>36,400</u>

The pension fund loan is repayable as follows:

Not wholly repayable within five years:

not repayable by instalments	11,400	36,400
	<u>11,400</u>	<u>36,400</u>

There is no set repayment date for the pension fund loan. In the opinion of the directors, the loan will not be repaid within one year from 30th November 1995.

The loan is secured against the assets of the pension fund and interest is payable annually in arrears at the rate of 10%, or 3% above Midland Bank plc base rate, whichever is the greater.

- 16 Called up share capital

	1994		1993	
	Number of shares	£	Number of shares	£
Authorised				
Equity shares				
Ordinary £1 shares	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Allotted called up and fully paid				
Equity shares				
Ordinary £1 shares	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

- 17 Profit and loss account

	1994 £
1st December 1993	79,895
Retained profit for the year	<u>28,599</u>
30th November 1994	<u>108,494</u>

GADSBY & MUSTOE LIMITED

NOTES ON FINANCIAL STATEMENTS

30th November 1994

18 Reconciliation of movements in shareholders' funds

	1994 £	1993 £
Profit for the financial year	34,349	21,583
Dividends	(5,750)	-
Net addition to shareholders' funds	28,599	21,583
Opening shareholders' funds	84,895	63,310
Closing shareholders' funds	113,494	84,893