

KEN WILKINS PRINT LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 1996



KEN WILKINS PRINT LIMITED

ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

Company registration number: 1793462

Registered office: Private Road No 8
Colwick
Nottingham
NG4 2JX

Directors: Mr A P Wilkins
Mrs A Wilkins
Mrs M P Wilkins

Secretary: Mrs M P Wilkins

Bankers: Midland Bank Plc
1 Victoria Road
Netherfield
Nottingham

Auditors: Grant Thornton
Registered auditors
Chartered accountants
30 Hounds Gate
Nottingham
NG1 7DH

KEN WILKINS PRINT LIMITED

ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

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KEN WILKINS PRINT LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 March 1996.

Principal activities

The company operates principally as design consultants and high quality printers of packaging.

Business review

The directors are satisfied with the results for the year to 31 March 1996 which show an increase in turnover of 20%. Margins however have continued to become tighter in what is an increasingly competitive sector. The results have been further adversely affected by an increase in depreciation of £109,300 relating to an additional printing press.

The directors are however confident of maintaining current levels of turnover and profitability.

There was a profit for the year after taxation amounting to £120,430 (1995: profit £1,376,589). The directors do not recommend payment of a dividend and the profit has therefore been transferred to reserves.

Directors

The present membership of the Board is set out below. All directors served throughout the year.

The interests of the directors and their families in the shares of the company as at 31 March 1996 and 1 April 1995, or the date of their appointment to the Board if later, were as follows:

	Ordinary shares	
	31 March 1996	1 April 1995
Mr A P Wilkins	155,847	155,847
Mrs A Wilkins	43,291	43,291
Mrs M P Wilkins	225,114	225,114

Fixed assets

The principal items of capital expenditure were the purchase of new plant amounting to £57,220 and the renewing of motor vehicles amounting to £50,738. The company also purchased new fixtures totalling £35,103.

Included in plant and machinery is a printing press which was acquired in the year ended 31 March 1995 as a result of an insurance claim following a fire involving an old press. As the company had already purchased a replacement machine, depreciation is now being charged on two new machines giving a total of £188,416. It is not the company's normal policy to purchase two new presses in the same year. Therefore the directors wish to draw attention to the fact that the depreciation charge has been increased by £109,300 over and above what would normally be expected.

KEN WILKINS PRINT LIMITED

REPORT OF THE DIRECTORS

Directors' responsibilities for the financial statements

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:

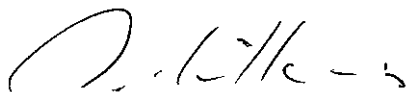
- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



A Wilkins
Director
14 January 1997

**REPORT OF THE AUDITORS TO THE DIRECTORS OF
KEN WILKINS PRINT LIMITED PURSUANT
TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 5 to 17 together with the full financial statements of Ken Wilkins Print Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 7 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 to 249 of the Companies Act 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act, in respect of the year ended 31 March 1996, and the abbreviated accounts on pages 5 to 17 have been properly prepared in accordance with that Schedule.

On 14 January 1997 we reported, as auditors of Ken Wilkins Print Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1996 and our report was as follows:

"We have audited the financial statements on pages 4 to 16 which have been prepared under the accounting policies set out on page 4.

Respective responsibilities of the directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the 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.

**REPORT OF THE AUDITORS TO THE DIRECTORS OF
KEN WILKINS PRINT LIMITED PURSUANT
TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

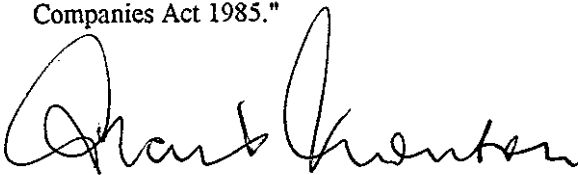
Basis of opinion

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 other irregularity or error. 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 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

**NOTTINGHAM
14 January 1997**

KEN WILKINS PRINT LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention except that leasehold properties are shown at their revalued amounts.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

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 or valuation less estimated residual value of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Leasehold buildings	2%
Plant and machinery	10-20%
Motor vehicles	25%
Office machinery and fittings	15%

STOCKS

Stocks are stated at the lower of cost and net realisable value. Work in progress is valued at the cost of raw materials, plus labour directly attributable to the work.

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. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advance corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

CONTRIBUTIONS TO PENSION FUNDS

Defined contribution scheme

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

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

KEN WILKINS PRINT LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT**

For the year ended 31 March 1996

	Note	1996 £	1995 £
Gross profit		4,585,400	4,518,797
Distribution costs		(89,042)	(64,617)
Administrative expenses		(4,155,864)	(4,005,589)
Operating profit		340,494	448,591
Exceptional items			
Profit on sale of fixed assets		-	1,275,000
Interest payable and similar charges	2	(192,369)	(147,133)
Profit on ordinary activities before taxation	1	148,125	1,576,458
Tax on profit on ordinary activities	4	(27,695)	(199,869)
Profit transferred to reserves	13	120,430	1,376,589

There were no recognised gains or losses other than the profit for the financial year.

The accompanying accounting policies and notes form an integral part of these abbreviated accounts.

KEN WILKINS PRINT LIMITED

ABBREVIATED BALANCE SHEET AT 31 MARCH 1996

	Note	1996 £	1996 £	1995 £	1995 £
Fixed assets					
Tangible assets	5		4,835,001		5,068,144
Current assets					
Stocks	6	933,802		908,548	
Debtors	7	2,889,451		2,403,723	
Cash at bank and in hand		30,072		106,530	
		3,853,325		3,418,801	
Creditors: amounts falling due within one year	8	(3,913,212)		(3,400,775)	
Net current liabilities			(59,887)		18,026
Total assets less current liabilities			4,775,114		5,086,170
Creditors: amounts falling due after more than one year	9		(1,317,643)		(1,776,805)
Provisions for liabilities and charges	10		(273,493)		(245,817)
			<u>3,183,978</u>		<u>3,063,548</u>
Capital and reserves					
Called up share capital	12		432,910		432,910
Revaluation reserve	13		544,438		544,438
Profit and loss account	13		2,206,630		2,086,200
Shareholders' funds	14		<u>3,183,978</u>		<u>3,063,548</u>

In preparing these abbreviated accounts, we have relied on the exemptions for individual financial statements conferred by section B of Part III of Schedule 8 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those exemptions as a medium sized company.

The abbreviated accounts were approved by the Board of Directors on 14 January 1997.

A P Wilkins

Director

The accompanying accounting policies and notes form an integral part of these abbreviated accounts.

KEN WILKINS PRINT LIMITED**CASH FLOW STATEMENT**

For the year ended 31 March 1996

	Note	1996 £	1995 £
Net cash inflow from operating activities	15	667,707	1,307,574
Returns on investments and servicing of finance			
Interest paid		(126,648)	(116,867)
Hire purchase interest paid		(65,721)	(30,266)
Net cash outflow from returns on investments and servicing finance		(192,369)	(147,133)
Taxation			
UK corporation tax paid		(19)	(9,782)
Investing activities			
Purchase of tangible fixed assets		(53,951)	(1,863,496)
Sale of tangible fixed assets		41,275	1,358,395
Net cash outflow from investing activities		(12,676)	(505,101)
Net cash inflow before financing		462,643	645,558
Financing			
Repayment of borrowings		(167,403)	(102,727)
Capital element of hire purchase repayments		(371,698)	(260,100)
Net cash outflow from financing	16	(539,101)	(362,827)
(Decrease)/Increase in cash and cash equivalents	17	(76,458)	282,731

The accompanying accounting policies and notes form an integral part of these financial statements.

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

1 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities is stated after:	1996 £	1995 £
Auditors' remuneration	10,000	9,500
Depreciation and amortisation:		
Tangible fixed assets, owned	259,322	135,222
Tangible fixed assets, held under hire purchase contracts	97,363	84,385
Other operating lease rentals	-	386,977
Other operating income includes:		
Insurance proceeds for business interruption	291,878	598,700

2 INTEREST PAYABLE AND SIMILAR CHARGES

	1996 £	1995 £
On bank loans, overdrafts and other loans:		
Repayable within 5 years, otherwise than by instalments	24,750	35,797
Repayable within 5 years, by instalments	101,898	81,070
	126,648	116,867
Finance charges in respect of hire purchase contracts	65,721	30,266
	192,369	147,133

3 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:	1996 £	1995 £
Wages and salaries	2,776,827	2,492,074
Social security costs	259,373	247,515
Other pension costs	32,567	30,472
	3,068,767	2,770,061

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

The average number of employees of the company during the year were as follows:

	1996 Number	1995 Number
Production	200	187
Selling and distribution	3	3
	<u>203</u>	<u>190</u>

Remuneration in respect of directors was as follows:

	1996 £	1995 £
Management remuneration	<u>147,912</u>	<u>145,626</u>

The emoluments of the directors, excluding pension contributions, were as follows:

	1996 £	1995 £
The Chairman and highest paid director	<u>62,218</u>	<u>61,977</u>

The emoluments of the other directors, excluding pension contributions, fell within the following ranges:

	1996 Number	1995 Number
Nil - £5,000	1	1
£50,001 - £55,000	1	1

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge is based on the profit for the year and represents:

	1996 £	1995 £
UK Corporation tax at 24% (1995: 25%)	19	(46,077)
Deferred taxation	<u>27,676</u>	<u>120,585</u>
	<u>27,695</u>	<u>74,508</u>
Adjustments in respect of prior periods:		
Corporation tax	-	129
Deferred tax	<u>-</u>	<u>125,232</u>
	<u>27,695</u>	<u>199,869</u>

Trading losses of £550,000 remain available to offset against future taxable trading profits.

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

5 TANGIBLE FIXED ASSETS

	Long leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures £	Total £
Cost or valuation					
At 1 April 1995	996,948	4,674,872	285,859	399,292	6,356,971
Additions	2,690	57,220	50,738	35,103	145,751
Disposals	-	(13,500)	(45,013)	-	(58,513)
At 31 March 1996	999,638	4,718,592	291,584	434,395	6,444,209
Depreciation					
At 1 April 1995	39,143	875,143	167,661	206,880	1,288,827
Provided in the year	19,963	265,808	36,830	34,084	356,685
Eliminated on disposals	-	(12,906)	(23,398)	-	(36,304)
At 31 March 1996	59,106	1,128,045	181,093	240,964	1,609,208
Net book amount at 31 March 1996	940,532	3,590,547	110,491	193,431	4,835,001
Net book amount at 31 March 1995	957,805	3,799,729	118,198	192,412	5,068,144

The figures stated above include assets held under hire purchase contracts, as follows:

	Plant and machinery £	Motor vehicles £
Net book amount at 31 March 1996	1,447,192	24,501
Net book amount at 31 March 1995	1,417,135	48,654
Depreciation provided during year	89,196	8,167

The buildings are owned by the company. The land on which the buildings are situated is leased, at a commercial rate, from The Ken Wilkins Design Print Pension Fund who own the freehold title to the land.

The leasehold property was revalued, on an open market basis, on 31 March 1993 by the directors at £900,000 resulting in a surplus of £544,438 which was credited to the revaluation reserve.

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

If the leasehold property had not been revalued, it would have been included on the historical cost basis at the following amount:

	Leasehold land and buildings £
Cost	455,200
Accumulated depreciation	39,143
Net book amount at 31 March 1996	<u>416,057</u>
Net book amount at 31 March 1995	<u>413,367</u>

6 STOCKS

	1996 £	1995 £
Raw materials	65,111	83,422
Work in progress	151,423	187,501
Finished goods	717,268	637,625
	<u>933,802</u>	<u>908,548</u>

7 DEBTORS

	1996 £	1995 £
Trade debtors	2,693,481	2,256,191
Taxation recoverable	46,077	46,077
Prepayments and accrued income	149,893	101,455
	<u>2,889,451</u>	<u>2,403,723</u>

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996 £	1995 £
Other loans	24,000	24,000
Bank loans and overdrafts	90,000	90,000
Trade creditors	3,038,028	2,577,949
Social security and other taxes	228,126	181,011
Other creditors	193,963	193,963
Accruals and deferred income	33,284	39,902
Amounts due under hire purchase	305,811	293,950
	<u>3,913,212</u>	<u>3,400,775</u>

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1996 £	1995 £
Other loans	439,375	512,240
Bank loans	173,896	268,434
Amounts due under hire purchase	704,372	996,131
	<u>1,317,643</u>	<u>1,776,805</u>

Bank loans

The bank borrowings are secured by a fixed and floating charge dated 1 February 1991 over the company's assets and a first legal charge dated 7 February 1990 over the company's property.

Borrowings are repayable as follows:

	1996 £	1995 £
Within one year		
Bank and other borrowings	114,000	114,000
Hire purchase	305,811	293,950
After one and within two years		
Bank and other borrowings	114,000	114,000
Hire purchase	299,656	293,950
After two and within five years		
Bank and other borrowings	499,271	666,674
Hire purchase	404,716	702,181
	<u>1,737,454</u>	<u>2,184,755</u>

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

10 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 April 1995	245,817
Provided during the year	27,676
At 31 March 1996	<u>273,493</u>

11 DEFERRED TAXATION

Deferred taxation provided for and not provided for in the financial statements is set out below. The amount unprovided represents a contingent liability at the balance sheet date and is calculated using a tax rate of 24%.

	Amount provided		Amount unprovided	
	1996	1995	1996	1995
	£	£	£	£
Accelerated capital allowances	406,298	319,827	42,927	46,701
Other timing differences	-	-	130,665	179,665
	<u>406,298</u>	<u>319,827</u>	<u>173,592</u>	<u>226,366</u>
Less:				
Trading losses	(132,805)	(74,010)	-	-
	<u>273,493</u>	<u>245,817</u>	<u>173,592</u>	<u>226,366</u>
Capital gains rolled over	-	-	329,863	329,863

12 SHARE CAPITAL

	1996 £	1995 £
Authorised 750,000 ordinary shares of £1 each	<u>750,000</u>	<u>750,000</u>
Allotted, called up and fully paid 432,910 ordinary shares of £1 each	<u>432,910</u>	<u>432,910</u>

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

13 RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 April 1995	544,438	2,086,200
Retained profit for the year	-	120,430
At 31 March 1996	<u>544,438</u>	<u>2,206,630</u>

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit for the financial year and net increase in shareholders' funds	120,430	1,376,589
Shareholders' funds at 1 April 1995	<u>3,063,548</u>	<u>1,686,959</u>
Shareholders' funds at 31 March 1996	<u>3,183,978</u>	<u>3,063,548</u>

15 NET CASH INFLOW FROM OPERATING ACTIVITIES

	1996 £	1995 £
Operating profit	340,494	448,591
Depreciation	356,685	219,607
Profit on sale of tangible fixed assets	(19,066)	(62,822)
Increase in stocks	(25,254)	(103,827)
Increase in debtors	(485,728)	190,171
Increase in creditors	500,576	615,854
Net cash inflow from continuing operating activities	<u>667,707</u>	<u>1,307,574</u>

16 ANALYSIS OF CHANGES IN FINANCING

	Share capital		Loans and amounts due under hire purchase	
	1996 £	1995 £	1996 £	1995 £
At 1 April 1995	432,910	432,910	2,184,755	997,401
Net cash outflow from financing	-	-	(539,101)	(362,827)
Inception of finance leases	-	-	91,800	1,550,181
At 31 March 1996	<u>432,910</u>	<u>432,910</u>	<u>1,737,454</u>	<u>2,184,755</u>

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

17 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	1996 £	1995 £
At 1 April 1995	106,530	(176,201)
Net cash (outflow)/inflow	(76,458)	282,731
At 31 March 1996	<u>30,072</u>	<u>106,530</u>

18 ANALYSIS OF CASH AND CASH EQUIVALENTS

	1996 £	1995 £	1994 £	Change in 1996 £	Change in 1995 £
Cash and cash equivalents comprise:					
Cash at bank and in hand	30,072	106,530	303	(76,458)	106,227
Bank overdrafts	-	-	(176,504)	-	176,504
	<u>30,072</u>	<u>106,530</u>	<u>(176,201)</u>	<u>(76,458)</u>	<u>282,731</u>

19 CAPITAL COMMITMENTS

	1996 £	1995 £
Contracted for but not provided in these statements	<u>175,000</u>	-
	<u>175,000</u>	-

20 CONTINGENT LIABILITIES

Ken Wilkins Print Limited has shareholders in common with A P Wilkins (Sales) Limited and there exists a cross guarantee with Midland Bank Plc, which creates a fixed and floating charge on the assets of each company. At 31 March 1996 the outstanding liability under this agreement amounted to £1,687,300 (1995 £1,329,723).

KEN WILKINS PRINT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 1996

21 LEASING COMMITMENTS

Operating lease payments amounting to £37,240 (1995: £37,240) are due within one year. The leases to which these amounts relate expire as follows:

	1996		1995	
	Land and buildings £	Other £	Land and buildings £	Other £
Between two and five years	37,240	-	37,240	-

22 TRANSACTIONS WITH DIRECTORS

Material interests in transactions

The company trades on an arms length basis with A P Wilkins (Sales) Limited, a company in which the directors have a significant interest.

The total purchases from that company during the year amounted to £4,230,958 (1995 - £2,969,659). At 31 March 1996 £2,320,578 (1995 - £1,569,212) was due to A P Wilkins (Sales) Limited. A management charge of £187,000 (1995 - £100,000) is payable by A P Wilkins (Sales) Limited.