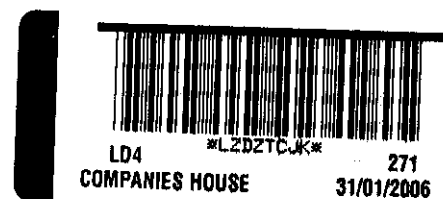


Company Registration No. 950118 (England and Wales)

AUGUSTUS MARTIN LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2005



AUGUSTUS MARTIN LIMITED

DIRECTORS AND ADVISERS

Directors	L.A. Barrow B. M. Dix A. Dix
Secretary	B. M. Dix
Company number	950118
Registered office	8 St Andrews Way Bromley by Bow London E3 3PB
Registered auditors	Goodman Jones LLP 29/30 Fitzroy Square London W1T 6LQ
Bankers	Lloyds TSB Bank Plc 210 Commercial Road London E1 2JR
Solicitors	Roiter Zucker Regent House 5-7 Broadhurst Gardens Swiss Cottage London NW6 3RZ

AUGUSTUS MARTIN LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3
Consolidated profit and loss account	4
Consolidated balance sheet	5
Company balance sheet	6
Consolidated cash flow statement	7
Notes to the consolidated cash flow statement	8
Notes to the financial statements	9 - 23

AUGUSTUS MARTIN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

The directors present their report and financial statements for the year ended 31 March 2005.

Directors

The following directors have held office since 1 April 2004:

L.A. Barrow
B. M. Dix
A. Dix

Principal activities and review of the business

The principal activity of the Augustus Martin group continue to be that of management, production, warehousing and distribution of printed materials.

Competition remained intense during the year in the markets served by Augustus Martin. Turnover increased to £34,468,476 for the year, from £32,548,073 in 2004. The directors are pleased to report the return to profitability and look forward to the future with confidence.

Results and dividends

The consolidated profit and loss account for the year is set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors' interests

The directors' interests in the shares of the company and other group companies were as stated below:

Augustus Martin Limited

	Ordinary shares of £ 1 each	
	31 March 2005	1 April 2004
L.A. Barrow	500	500
B. M. Dix	500	500
A. Dix	-	-

Billboard Posters Limited

	Ordinary Shares of £1 each	
	31 March 2005	1 April 2004
L.A. Barrow	1	1
B. M. Dix	1	1

Employee involvement

The company runs a Works Committee, which meets six times a year, with employee representatives elected from consistencies throughout the business. These meetings provide an opportunity for specific representations to be made to the directors and senior management and for them to be questioned about any matters which concern the employees. Notice boards and payslip inserts are also regularly used to communicate with all employees.

Disabled persons

Full and fair consideration is given to applications for employment, training and promotion, made by disabled persons having regard to their particular aptitudes and abilities. Also every effort is made to ensure the continuing employment and training of employees who have become disabled.

AUGUSTUS MARTIN LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Health and safety

The company has a Health and Safety Committee that meets six times a year and has representation both from employee groups and operating management. The function of the committee is to oversee the operation of the company's health and safety policy.

Auditors

Goodman Jones LLP were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

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 group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

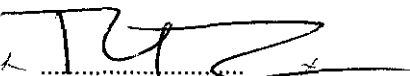
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

X 

L.A. Barrow
Director

X 31-1-06

X 

B.M. Dix
Director

AUGUSTUS MARTIN LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AUGUSTUS MARTIN LIMITED

We have audited the financial statements of Augustus Martin Limited on pages 4 to 23 for the year ended 31 March 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 and the group'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 and the group's affairs as at 31 March 2005 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Goodman Jones LLP

Chartered Accountants
Registered Auditor

31 January 2006.

29/30 Fitzroy Square
London
W1T 6LQ

AUGUSTUS MARTIN LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Turnover	2	34,468,476	32,548,073
Cost of sales		(25,947,682)	(24,874,558)
Gross profit		8,520,794	7,673,515
Distribution costs		(1,091,713)	(1,035,351)
Administrative expenses		(7,316,392)	(7,486,492)
Other operating income		44,550	11,355
Operating profit/(loss)	3	157,239	(836,973)
Other interest receivable and similar income		121,574	116,656
Interest payable and similar charges	4	(255,043)	(254,413)
Profit/(loss) on ordinary activities before taxation		23,770	(974,730)
Tax on profit/(loss) on ordinary activities	5	(8,102)	371,058
Profit/(loss) on ordinary activities after taxation		15,668	(603,672)
Dividends	7	-	(205,000)
Retained profit/(loss) for the year	17	15,668	(808,672)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

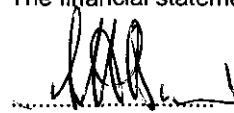
There are no recognised gains and losses other than those passing through the profit and loss account.

AUGUSTUS MARTIN LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	8	7,874,533		5,779,865	
Current assets					
Stocks	10	354,496		400,981	
Debtors	11	9,140,107		9,527,523	
Cash at bank and in hand		2,566,219		3,459,446	
		<u>12,060,822</u>		<u>13,387,950</u>	
Creditors: amounts falling due within one year	12	<u>(10,028,742)</u>		<u>(10,726,081)</u>	
Net current assets		2,032,080		2,661,869	
Total assets less current liabilities		<u>9,906,613</u>		<u>8,441,734</u>	
Creditors: amounts falling due after more than one year	13	(3,855,652)		(2,293,297)	
Provisions for liabilities and charges	14	(727,354)		(840,498)	
		<u>5,323,607</u>		<u>5,307,939</u>	
Capital and reserves					
Called up share capital	16	1,000		1,000	
Profit and loss account	17	5,322,607		5,306,939	
Shareholders' funds - equity interests	18	<u>5,323,607</u>		<u>5,307,939</u>	

The financial statements were approved by the Board on 31-1-06


L.A. Barrow
Director

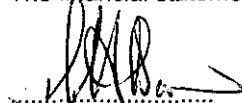

B.M. Dix
Director

AUGUSTUS MARTIN LIMITED

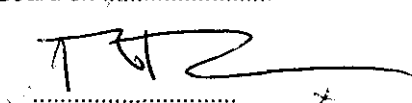
COMPANY BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	8	7,835,714		5,723,755	
Investments	9	1,000		1,000	
		<u>7,836,714</u>		<u>5,724,755</u>	
Current assets					
Stocks	10	354,496		343,155	
Debtors	11	8,274,937		8,341,219	
Cash at bank and in hand		2,566,219		3,459,446	
		<u>11,195,652</u>		<u>12,143,820</u>	
Creditors: amounts falling due within one year	12	(10,355,427)		(10,652,042)	
Net current assets		<u>840,225</u>		<u>1,491,778</u>	
Total assets less current liabilities		<u>8,676,939</u>		<u>7,216,533</u>	
Creditors: amounts falling due after more than one year	13	(3,855,652)		(2,293,297)	
Provisions for liabilities and charges	14	(726,267)		(839,065)	
		<u>4,095,020</u>		<u>4,084,171</u>	
Capital and reserves					
Called up share capital	16	1,000		1,000	
Profit and loss account	17	4,094,020		4,083,171	
Shareholders' funds - equity interests	18	<u>4,095,020</u>		<u>4,084,171</u>	

The financial statements were approved by the Board on 31-1-06..... ✓



L.A. Barrow
Director



B.M. Dix
Director

AUGUSTUS MARTIN LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

	2005		2004	
	£	£	£	£
Net cash inflow from operating activities		1,333,924		200,126
Returns on investments and servicing of finance				
Interest received	121,574		116,656	
Interest paid	(255,043)		(254,413)	
Net cash outflow for returns on investments and servicing of finance		(133,469)		(137,757)
Taxation		(7,157)		(22,571)
Capital expenditure				
Payments to acquire tangible assets	(778,793)		(342,740)	
Receipts from sales of tangible assets	249,636		64,807	
Net cash outflow for capital expenditure		(529,157)		(277,933)
Equity dividends paid		-		(205,000)
Net cash inflow/(outflow) before management of liquid resources and financing		664,141		(443,135)
Financing				
Repayment of long term bank loan	(245,579)		(245,579)	
Sale and leaseback	-		1,005,542	
Capital element of hire purchase contracts	(1,021,306)		(1,122,840)	
Net cash outflow from financing		(1,266,885)		(362,877)
Decrease in cash in the year		(602,744)		(806,012)

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

1	Reconciliation of operating profit/(loss) to net cash inflow from operating activities	2005	2004
		£	£
	Operating profit/(loss)	157,239	(836,973)
	Depreciation of tangible assets	1,111,206	1,233,492
	Profit/(loss) on disposal of tangible assets	(3,152)	23,250
	Decrease/(increase) in stocks	46,485	(41,456)
	Decrease in debtors	387,416	411,613
	Decrease in creditors within one year	(245,679)	(519,051)
	Decrease in provisions	(119,591)	(70,749)
	Net cash inflow from operating activities	1,333,924	200,126

2	Analysis of net debt	1 April 2004	Cash flow	Other non-cash changes	31 March 2005
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	3,459,446	(893,227)	-	2,566,219
	Bank overdrafts	(2,180,050)	290,483	-	(1,889,567)
		<u>1,279,396</u>	<u>(602,744)</u>	<u>-</u>	<u>676,652</u>
	Finance leases	(1,860,590)	1,021,306	(2,673,565)	(3,512,849)
	Debts falling due within one year	(245,579)	-	-	(245,579)
	Debts falling due after one year	(1,460,403)	245,579	-	(1,214,824)
		<u>(3,566,572)</u>	<u>1,266,885</u>	<u>(2,673,565)</u>	<u>(4,973,252)</u>
	Net debt	(2,287,176)	664,141	(2,673,565)	(4,296,600)

3	Reconciliation of net cash flow to movement in net debt	2005	2004
		£	£
	Decrease in cash in the year	(602,744)	(806,012)
	Cash outflow from decrease in debt	1,266,885	362,876
		<u>664,141</u>	<u>(443,136)</u>
	Change in net debt resulting from cash flows	664,141	(443,136)
	New finance lease	(2,673,565)	(285,087)
		<u>(2,009,424)</u>	<u>(728,223)</u>
	Movement in net debt in the year	(2,009,424)	(728,223)
	Opening net debt	(2,287,176)	(1,558,953)
	Closing net debt	(4,296,600)	(2,287,176)

4 Major non-cash transactions

During the year the company entered into hire purchase arrangements in respect of assets with a total capital value at the inception of £2,673,565.

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

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 Basis of consolidation

The consolidated financial statements comprise the financial statements of Augustus Martin Limited and its subsidiary.

1.4 Turnover

Turnover represents amounts receivable from the provision of goods and services which fall within the group's ordinary activities after deduction of the trade discounts and value added tax.

1.5 Tangible fixed assets and depreciation

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

Improvements to premises	Over lease term on reducing balance
Office equipment	30% on reducing balance
Plant and equipment	15% on reducing balance
Computer equipment	30% on reducing balance
Fixtures & fittings	25% on reducing balance
Motor vehicles	25% on reducing balance

1.6 Leasing

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.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure.

1.9 Pensions

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

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

(continued)

1.10 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.

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit/(loss)

	2005 £	2004 £
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	1,111,206	1,233,492
Loss on disposal of tangible assets	-	23,250
Loss on foreign exchange transactions	-	9,748
Operating lease rentals		
- Plant and machinery	22,696	24,498
- Other assets	1,065,928	988,383
Auditors' remuneration (company £23,000; 2004: £33,000)	33,000	43,000
and after crediting:		
Profit on disposal of tangible assets	(3,152)	-
Profit on foreign exchange transactions	(218)	-

4 Interest payable

	2005 £	2004 £
On bank loans and overdrafts	22,818	88,757
On other loans wholly repayable within 5 years	122,288	77,112
Lease finance charges	78,627	87,859
Other interest	31,310	685
	<u>255,043</u>	<u>254,413</u>

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

5	Taxation	2005 £	2004 £
	Domestic current year tax		
	U.K. corporation tax	1,655	(188,463)
	Adjustment for prior years	-	(92,136)
	Current tax charge	1,655	(280,599)
	Deferred tax		
	Deferred tax charge/credit current year	6,447	(70,266)
	Deferred tax adjust re previous year	-	(20,193)
		8,102	(371,058)
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	23,770	(974,730)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2004: 30.00%)	7,131	(292,419)
	Effects of:		
	Non deductible expenses	32,677	54,867
	Depreciation add back	333,362	370,736
	Capital allowances	(373,170)	(319,015)
	Tax losses utilised	-	(14,142)
	Foreign tax adjustments	1,655	(2,117)
	Adjustments to previous periods	-	(92,136)
	Other tax adjustments	-	13,627
		(5,476)	11,820
	Current tax charge	1,655	(280,599)

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

6 Profit/(loss) for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit/(loss) for the financial year is made up as follows:

	2005 £	2004 £
Holding company's profit/(loss) for the financial year	10,849	(517,815)

7 Dividends

	2005 £	2004 £
Ordinary interim paid	-	205,000

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

8 Tangible fixed assets

Group

	Improvements to premises	Office equipment	Computer equipment	Plant and equipment	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2004	395,965	167,464	1,594,456	14,266,627	114,431	1,044,543	17,583,486
Additions	83,595	17,450	98,681	3,114,359	-	138,274	3,452,359
Disposals	-	(21,990)	(183,850)	(483,049)	(3,902)	(229,548)	(922,339)
At 31 March 2005	479,560	162,924	1,509,287	16,897,937	110,529	953,269	20,113,506
Depreciation							
At 1 April 2004	98,509	130,312	1,242,709	9,708,915	99,143	524,033	11,803,621
On disposals	-	(11,513)	(179,821)	(323,406)	(2,341)	(158,774)	(675,855)
Charge for the year	18,148	11,432	122,373	822,020	3,211	134,023	1,111,207
At 31 March 2005	116,657	130,231	1,185,261	10,207,529	100,013	499,282	12,238,973
Net book value							
At 31 March 2005	362,903	32,693	324,026	6,690,408	10,516	453,987	7,874,533
At 31 March 2004	297,456	37,152	351,749	4,557,713	15,285	520,510	5,779,865

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

	Plant and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£
Net book values				
At 31 March 2005	3,601,455	838,028	307,630	4,747,113
At 31 March 2004	1,858,919	541,420	326,234	2,726,573
Depreciation charge for the year				
31 March 2005	278,838	160,365	86,373	525,576
31 March 2004	313,221	177,553	29,043	519,817

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

8 Tangible fixed assets (continued)

Company

	Improvements to premises	Office equipment	Computer equipment	Plant and equipment	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2004	395,965	167,464	1,525,459	14,118,704	102,887	1,044,543	17,355,022
Additions	83,595	17,450	98,681	3,114,359	-	138,274	3,452,359
Disposals	-	(21,990)	(120,789)	(471,671)	-	(229,548)	(843,998)
At 31 March 2005	479,560	162,924	1,503,351	16,761,392	102,887	953,269	19,963,383
Depreciation							
At 1 April 2004	98,509	130,312	1,176,079	9,609,896	92,438	524,033	11,631,267
On disposals	-	(11,513)	(116,993)	(318,158)	-	(158,774)	(605,438)
Charge for the year	18,148	11,432	121,211	814,414	2,612	134,023	1,101,840
At 31 March 2005	116,657	130,231	1,180,297	10,106,152	95,050	499,282	12,127,669
Net book value							
At 31 March 2005	362,903	32,693	323,054	6,655,240	7,837	453,987	7,835,714
At 31 March 2004	297,456	37,152	349,382	4,508,809	10,446	520,510	5,723,755

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

	Plant and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£
Net book values				
At 31 March 2005	3,601,455	838,028	307,630	4,747,113
At 31 March 2004	1,858,919	541,420	326,234	2,726,573
Depreciation charge for the year				
31 March 2005	278,838	160,365	86,373	525,576
31 March 2004	313,221	177,553	29,043	519,817

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

9 Fixed asset investments Company

Shares in
group
undertakings
£

Cost

At 1 April 2004 & at 31 March 2005

1,000

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The company's investment at the balance sheet date in the balance sheet date comprises 100% of the issued share capital of Billboard Posters Limited, a company incorporated in Great Britain. The subsidiary has been included in the consolidated financial statements; its principal activity is that of lithographic printing.

10 Stocks

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Raw materials and consumables	354,496	400,981	354,496	343,155

11 Debtors

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Trade debtors	7,662,969	8,498,024	6,804,107	7,323,343
Other debtors	1,120,870	712,256	1,119,094	711,992
Prepayments and accrued income	356,268	317,243	351,736	305,884
	9,140,107	9,527,523	8,274,937	8,341,219

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

12 Creditors : amounts falling due within one year

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Bank loans and overdrafts	2,135,146	2,425,629	2,091,694	2,188,677
Net obligations under finance lease and hire purchase contracts	872,021	1,027,696	872,021	1,027,696
Trade creditors	4,921,376	5,183,093	4,756,531	4,829,351
Amounts owed to group undertakings	-	-	887,682	891,596
Corporation tax	4,114	9,616	-	-
Other taxes and social security costs	503,048	706,450	297,612	492,489
Directors current accounts	247,500	610	247,500	610
Other creditors	749,437	419,220	716,920	395,426
Accruals and deferred income	596,100	953,767	485,467	826,197
	<u>10,028,742</u>	<u>10,726,081</u>	<u>10,355,427</u>	<u>10,652,042</u>

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

13 Creditors : amounts falling due after more than one year

	Group 2005 £	2004 £	Company 2005 £	2004 £
Bank loans	114,824	360,403	114,824	360,403
Other loans	1,100,000	1,100,000	1,100,000	1,100,000
Net obligations under finance leases and hire purchase agreements	2,640,828	832,894	2,640,828	832,894
	<u>3,855,652</u>	<u>2,293,297</u>	<u>3,855,652</u>	<u>2,293,297</u>
Analysis of loans				
Wholly repayable within five years	1,460,403	1,705,982	1,460,403	1,705,982
Included in current liabilities	(245,579)	(245,579)	(245,579)	(245,579)
	<u>1,214,824</u>	<u>1,460,403</u>	<u>1,214,824</u>	<u>1,460,403</u>
Loan maturity analysis				
In more than one year but not more than two years	114,824	245,579	114,824	245,579
In more than two years but not more than five years	1,100,000	1,460,403	1,100,000	1,460,403

The bank loans are secured by a first charge over property held by the directors. Of the bank loans, £225,000 bears interest at a fixed rate of 8.95372% and the remainder bears interest at 1% above base rate.

Other loans are a pension fund loan from the Augustus Martin Pension Scheme. This is repayable in full on 18 May 2008. Interest is charged at 3% above bank base rate. The lender has a second charge over property held by the directors.

Net obligations under finance leases and hire purchase contracts

Repayable within one year	900,669	1,027,696	900,669	1,027,696
Repayable between one and five years	2,477,466	832,894	2,477,466	832,894
Repayable after five years	134,714	-	134,714	-
	<u>3,512,849</u>	<u>1,860,590</u>	<u>3,512,849</u>	<u>1,860,590</u>
Included in liabilities falling due within one year	(872,021)	(1,027,696)	(872,021)	(1,027,696)
	<u>2,640,828</u>	<u>832,894</u>	<u>2,640,828</u>	<u>832,894</u>

Obligations under hire purchase contracts and finance leases are secured by related leased assets.

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

14 Provisions for liabilities and charges Group

	Deferred tax liability £	Reprint provision £	Total £
Balance at 1 April 2004	678,398	162,100	840,498
Profit and loss account	6,447	(119,591)	(113,144)
Balance at 31 March 2005	<u>684,845</u>	<u>42,509</u>	<u>727,354</u>

Company

Balance at 1 April 2004	676,965	162,100	839,065
Profit and loss account	6,793	(119,591)	(112,798)
Balance at 31 March 2005	<u>683,758</u>	<u>42,509</u>	<u>726,267</u>

The reprint provision is a provision for future costs to be incurred in connection with reprints, library and other services for certain customers arising from past sales. The provision will be utilised over the next six to twelve months.

The deferred tax liability is made up as follows:

Deferred taxation provided in the financial statements is as follows:

	Group		Company	
	2005 £	2004 £	2005 £	2004 £
Accelerated capital allowances	<u>684,845</u>	<u>678,398</u>	<u>683,758</u>	<u>676,965</u>

15 Pension costs

Defined contribution

	2005 £	2004 £
Contributions payable by the company for the year	<u>505,050</u>	<u>292,966</u>

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

16 Share capital	2005	2004
	£	£
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
17 Statement of movements on profit and loss account		
Group		Profit and loss account £
Balance at 1 April 2004		5,306,939
Retained profit for the year		15,668
		<u> </u>
Balance at 31 March 2005		5,322,607
		<u> </u>
Company		Profit and loss account £
Balance at 1 April 2004		4,083,171
Retained profit for the year		10,849
		<u> </u>
Balance at 31 March 2005		4,094,020
		<u> </u>

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

18 Reconciliation of movements in shareholders' funds	2005	2004
	£	£
Group		
Profit/(Loss) for the financial year	15,668	(603,672)
Dividends	-	(205,000)
	<hr/>	<hr/>
Net addition to/(depletion in) shareholders' funds	15,668	(808,672)
Opening shareholders' funds	5,307,939	6,116,611
	<hr/>	<hr/>
Closing shareholders' funds	5,323,607	5,307,939
	<hr/>	<hr/>
	2005	2004
	£	£
Company		
Profit/(Loss) for the financial year	10,849	(517,815)
Dividends	-	(205,000)
	<hr/>	<hr/>
Net addition to/(depletion in) shareholders' funds	10,849	(722,815)
Opening shareholders' funds	4,084,171	4,806,986
	<hr/>	<hr/>
Closing shareholders' funds	4,095,020	4,084,171
	<hr/>	<hr/>

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

19 Financial commitments

At 31 March 2005 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2005	2004
	£	£
Expiry date:		
Within one year	95,000	125,506
In over five years	730,450	663,450
	<u>825,450</u>	<u>788,956</u>

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2005	2004
	£	£
Expiry date:		
Within one year	95,000	125,506
In over five years	730,450	663,450
	<u>825,450</u>	<u>788,956</u>

20 Directors' emoluments

	2005	2004
	£	£
Emoluments for qualifying services	144,018	120,791
Company pension contributions to money purchase schemes	400,000	200,000
	<u>544,018</u>	<u>320,791</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2004- 2).

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

21 Employees

Number of employees

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

	2005 Number	2004 Number
Administration	37	42
Production	253	261
Sales	24	21
Directors	3	3
	<u>317</u>	<u>327</u>

Employment costs

	£	£
Wages and salaries	9,962,621	9,547,149
Social security costs	1,077,413	993,961
Other pension costs	505,050	292,966
	<u>11,545,084</u>	<u>10,834,076</u>

22 Control

The company is controlled jointly by Mr L.A. Barrow and Mr B.M. Dix.

AUGUSTUS MARTIN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

23 Related party transactions

The following amounts included in trade debtors and other debtors, and in trade creditors and other creditors were due from/(to) related companies in which two of the directors, L.A. Barrow (LAB) and B.M. Dix (BMD) had an interest in the proportions shown:

	2005 £	2004 £	LAB	BMD
Due from/(to):				
Small Products Limited	(169,407)	(277,854)	33%	33%
Marketing by Design Limited	99,031	204,637	25%	25%
T.J. Finishing Limited	(45,790)	(261,337)	33%	33%
Thames Graphic Limited	(178,110)	(248,440)	50%	50%
Vitalactive Limited	106,946	106,946	50%	50%
PP Sales Limited	5,716	92,454	50%	50%

During the year the following sales and purchases were made to/purchased from the related companies noted above:

	Sales		Purchases	
	2005 £	2004 £	2005 £	2004 £
Small Products Limited	49,371	15,786	919,702	842,274
Marketing by Design Limited	14,591	4,903	105,966	101,565
T.J. Finishing Limited	272,552	109,045	2,305,918	2,292,286
Thames Graphic Limited	-	67,275	11,465	213,814
PP Sales Limited	32,092	255,093	-	-

The company paid rent in respect of property owned by the directors of £950,946 (2004: £990,636). No amounts remained outstanding at the year end (2004: £nil).

The company incurred interest on a loan from the Augustus Martin Pension Scheme of £84,600 (2004: £77,112) whose sole beneficiaries are the directors of the company.