

**P A C GRAPHICS LIMITED  
DIRECTORS' REPORT  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MAY 1997**

Company No: 1574580  
(England and Wales)



**P A C GRAPHICS LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

L R Allen

J S Allen

B R Allen

**SECRETARY**

B R Allen

**COMPANY NUMBER**

1574580 (England and Wales)

**REGISTERED OFFICE**

65 Decima Street  
Bermondsey  
London SE1 5QR

**AUDITORS**

Sargent & Co  
Chartered Accountants  
and Registered Auditors  
11 Suffield Close  
Selsdon Ridge  
Selsdon  
Surrey CR2 8SZ

**P A C GRAPHICS LIMITED**

**CONTENTS**

	<u>Page</u>
DIRECTORS' REPORT	1
AUDITORS' REPORT	2
PROFIT AND LOSS ACCOUNT	3
BALANCE SHEET	4
NOTES TO THE FINANCIAL STATEMENTS	5-7
 THE FOLLOWING PAGE DOES NOT FORM PART OF THE STATUTORY ACCOUNTS:	
TRADING AND PROFIT AND LOSS ACCOUNT	8

P A C GRAPHICS LIMITEDDIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 1997

The directors present their report and the financial statements for the year ended 31 May 1997.

STATEMENT OF 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 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.

PRINCIPAL ACTIVITY

The company's principal activity continues to be that of Printers and Print Agents.

DIRECTORS

The directors who served during the year and their beneficial interest in the company's issued ordinary share capital were:-

	<u>Number of Shares</u>	
	<u>1997</u>	<u>1996</u>
L R Allen	51	51
J S Allen	13	13
B R Allen	-	-

AUDITORS

The auditors, Sargent & Co will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report, which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the board on 3<sup>rd</sup> JANUARY 1998 and signed on its behalf.

.....  
L R Allen

**P A C GRAPHICS LIMITED**

**AUDITORS' REPORT TO THE SHAREHOLDERS OF**

**P A C GRAPHICS LIMITED**

We have audited the financial statements on page 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 1 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 mis-statement, 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 May 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



Sargent & Co  
Chartered Accountants  
and Registered Auditors  
11 Suffield Close  
Selsdon Ridge  
Selsdon CR2 8SZ

19/1/1998

**P A C GRAPHICS LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 1997**

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
<u>TURNOVER</u>	1.2	411877	428558
<u>COST OF SALES</u>		<u>151107</u>	<u>179785</u>
<u>GROSS PROFIT</u>		260770	248773
ADMINISTRATIVE EXPENSES		<u>177745</u>	<u>171321</u>
<u>OPERATING PROFIT</u>	2	83025	77452
Profit on disposal of Tangible Fixed Assets		834	-
Loss on disposal of Tangible Fixed Assets		( - )	<u>(1963)</u>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>		83859	75489
Interest Payable		<u>17121</u>	<u>17753</u>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		66738	57736
Taxation on profit on ordinary activities	3	<u>(14834)</u>	<u>(13568)</u>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		51904	44168
<u>RETAINED PROFIT BROUGHT FORWARD</u>		<u>384779</u>	<u>340611</u>
<u>RETAINED PROFIT CARRIED FORWARD</u>		<u>£436683</u>	<u>£384779</u>

There were no recognised gains or losses for 1997 or 1996 other than those included in the Profit and Loss Account.

The notes on Pages 5 to 7 form part of these financial statements.

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets	4	596092	612618
<u>CURRENT ASSETS</u>			
Stock	1.4	1480	1390
Debtors	5	83778	88955
Cash at Bank		<u>4802</u>	<u>-</u>
		90060	90345
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	6	<u>114770</u>	<u>148206</u>
<u>NET CURRENT LIABILITIES</u>		<u>(24710)</u>	<u>(57861)</u>
		571382	554757
<u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>	7	<u>134599</u>	<u>169878</u>
<u>NET ASSETS</u>		<u>436783</u>	<u>384879</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	8	100	100
Profit and Loss Account		<u>436683</u>	<u>384779</u>
SHAREHOLDERS FUNDS	9	£436783	£384879

The financial statements were approved by the Board on 3<sup>rd</sup> January 1998 and signed on its behalf.

L R Allen (Director)

B.R. Allen

The notes on page 5 to 7 form part of these financial statements

**P A C GRAPHICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1997****1. ACCOUNTING POLICIES****1.1 Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

**1.2 Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

**1.3 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 or valuation of Fixed Assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and Machinery	10% reducing balance basis
Fixtures and Fittings	10% reducing balance basis
Motor Vehicles	25% reducing balance basis

**1.4 Stock**

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2. OPERATING PROFIT**

	<u>1997</u>	<u>1996</u>
	£	£
The operating profit on ordinary activities before taxation is stated after charging:		
Directors' Emoluments	63800	61050
Pension Costs	7958	7799
Auditors Remuneration	5170	5170
Depreciation and losses on Disposal of Tangible Fixed Assets owned by the company	24810	29784
Profit on Disposal of Motor Vehicles owned by the company	<u>(834)</u>	<u>(-)</u>



P A C GRAPHICS LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1997 (Cont)3. TAXATION

	<u>1997</u>	<u>1996</u>
<u>UK current year taxation</u>	<u>£</u>	<u>£</u>
UK Corporation Tax at 25%	-	11383
UK Corporation Tax at 24%	12625	2185
UK Corporation Tax at 21%	<u>2209</u>	<u>-</u>
	<u>14834</u>	<u>13568</u>

4. TANGIBLE FIXED ASSETS

<u>Cost</u>	<u>Freehold Property</u>	<u>Plant and Machinery</u>	<u>Fixtures and Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
At 1 June 1996	389826	403924	17035	44997	855782
Additions during year	-	13650	-	-	13650
Disposals during year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24490)</u>	<u>(24490)</u>
<u>At 31 May 1997</u>	<u>389826</u>	<u>417574</u>	<u>17035</u>	<u>20507</u>	<u>844942</u>
<u>Depreciation</u>					
At 1 June 1996	-	202510	10124	30980	243614
Written back on disposals	-	-	-	(19124)	(19124)
Charge for the year	<u>-</u>	<u>21506</u>	<u>691</u>	<u>2163</u>	<u>24360</u>
<u>At 31 May 1997</u>	<u>-</u>	<u>224016</u>	<u>10815</u>	<u>14019</u>	<u>248850</u>
<u>Net Book Values</u>					
<u>At 31 May 1997</u>	<u>389826</u>	<u>193558</u>	<u>6220</u>	<u>6488</u>	<u>596092</u>
<u>At 31 May 1996</u>	<u>389826</u>	<u>201414</u>	<u>6911</u>	<u>14017</u>	<u>612168</u>

Due to the upturn in the property market the freehold property shown on the Balance Sheet at a cost of £389,826 is estimated by the Directors to be worth at least the book value.

5. DEBTORS

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Due within one year		
Trade debtors	81691	87469
Other debtors	<u>2087</u>	<u>1486</u>
	<u>83778</u>	<u>88955</u>

