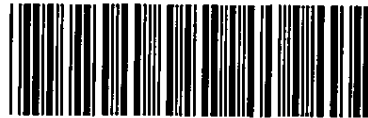


**P A C GRAPHICS LIMITED
DIRECTORS' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2010**

MONDAY



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COMPANIES HOUSE

**Company No: 1574580
(England and Wales)**

P A C GRAPHICS LIMITED

COMPANY INFORMATION

DIRECTORS:

J S Allen

R E Allen

SECRETARY:

J S Allen

COMPANY NUMBER:

1574580 (England and Wales)

REGISTERED OFFICE:

65 Decima Street
Bermondsey
London SE1 5QR

ACCOUNTANTS:

Sargent & Co
Chartered Accountants
194B Addington Road
Selsdon
South Croydon
Surrey CR2 8LD

P A C GRAPHICS LIMITED

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P A C GRAPHICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2010

The directors present their report and the financial statements for the year ended 31 May 2010

PRINCIPAL ACTIVITY

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

DIRECTORS

The directors during the year were as follows

J S Allen
R E Allen

SMALL COMPANY RULES

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006

This report was approved by the Board on 17 February 2011 and signed on its behalf

A handwritten signature in black ink, appearing to be 'JS Allen', with a long horizontal stroke extending to the right.

J S Allen - Director

P A C GRAPHICS LIMITED

CHARTERED ACCOUNTANTS REPORT ON THE UNAUDITED ACCOUNTS

TO THE DIRECTORS OF P A C GRAPHICS LIMITED

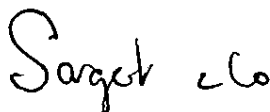
In accordance with the engagement letter dated 25 August 2010, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Profit and Loss Account and Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet your duty to ensure that the company has kept proper accounting records and to prepare financial statements for the year ended 31 May 2010 that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Sargent & Co
Chartered Accountants
194B Addington Road
Selsdon
South Croydon
CR2 8LD

Dated 18 February 2011

P A C GRAPHICS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2010

	<u>Notes</u>	<u>2010</u> £	<u>2009</u> £
<u>TURNOVER</u>	1 2	522,880	387,642
Cost of Sales		<u>(292,398)</u>	<u>(191,487)</u>
<u>GROSS PROFIT</u>		230,482	196,155
Administrative Expenses		<u>(168,423)</u>	<u>(164,286)</u>
<u>OPERATING PROFIT</u>	2	62,059	31,869
Profit on disposal of Fixed Assets		<u>65,091</u>	<u>(87)</u>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>		127,150	31,782
Interest receivable		<u>924</u>	<u>10,059</u>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		128,074	41,841
Taxation on profit on ordinary activities	4	<u>(30,580)</u>	<u>(9,135)</u>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION BEING PROFIT FOR THE FINANCIAL YEAR</u>		<u>97,494</u>	<u>32,706</u>

None of the company's activities were acquired or discontinued during the year and there were no recognised gains and losses for 2010 or 2009 other than those included in the profit and loss account

The note on pages 5 to 9 form part of these financial statements

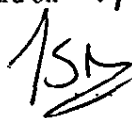
PAC GRAPHICS LIMITED**BALANCE SHEET AS AT 31 MAY 2010**

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets	5	507,525	478,443
<u>CURRENT ASSETS</u>			
Stocks	15	2,500	2,000
Debtors	6	161,966	96,860
Cash at bank and in hand		<u>348,360</u>	<u>313,967</u>
		512,826	412,827
<u>CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	7	<u>(103,716)</u>	<u>(77,407)</u>
<u>NET CURRENT ASSETS</u>		<u>409,110</u>	<u>335,420</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		916,635	813,863
<u>PROVISION FOR LIABILITIES AND CHARGES</u>			
Deferred Taxation	8	<u>(19,408)</u>	<u>(14,130)</u>
<u>NET ASSETS</u>		<u>897,227</u>	<u>799,733</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	9	100	100
Profit and Loss Account	10	<u>897,127</u>	<u>799,633</u>
<u>SHAREHOLDERS FUNDS-EQUITY</u>		<u>897,227</u>	<u>799,733</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of s 477(1) of the Companies Act 2006. Members have not required the company under s 476 of the Companies Act 2006, to obtain an audit for the year ended 31 May 2010. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with s 386 and s 387 of the Companies Act 2006, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 May 2010 and of its profit for the year then ended in accordance with the requirements of s 396, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 were approved by the Board on 17 February 2011 and signed on its behalf

J S Allen - Director



The notes on pages 5 to 9 form part of these financial statements

PAC GRAPHICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010****1 ACCOUNTING POLICIES****1.1 Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention

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 good and services supplied by the company, net of Value Added Tax and trade discounts
- Rental income
- Any other income during the period

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 of fixed assets less their estimated residual value over their expected useful lives on the following bases -

Motor Vehicles	25% per annum reducing balance basis
Fixtures and Fittings	10% per annum straight line basis
Plant and Machinery	20% per annum straight line basis
Computer Equipment	33% per annum straight line basis

No depreciation is provided on the freehold property as it is intended that maintenance will be carried out to maintain it at a level which is at least commensurate with its original cost

1.4 Stock

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

1.5 Deferred Taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date

PAC GRAPHICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010 (Contd)****1 6 Pensions**

The company operates a defined contribution pension scheme, PAC Graphics Limited Pension Scheme, and the pension charge represents the amounts payable by the company to the fund in respect of the year

2	<u>OPERATING PROFIT</u>	<u>2010</u>	<u>2009</u>
		<u>£</u>	<u>£</u>
	The operation profit is stated after charging		
	Depreciation of Tangible Fixed Assets owned by the company	50,558	36,803
	Loss/(Profit) on disposal of fixed assets	(65,091)	87
	Directors' emoluments	52,284	60,180
	Pension costs	<u>4,312</u>	<u>4,180</u>
	During the year retirement benefits were accruing to 1 director (2009 - 1) in respect of money purchase pension scheme		
3	<u>STAFF COSTS</u>		
	Staff costs including directors remuneration were as follows -	<u>2010</u>	<u>2009</u>
		<u>£</u>	<u>£</u>
	Wages and Salaries	143,597	138,151
	Social Security costs	14,313	14,433
	Other Pension costs	<u>4,312</u>	<u>4,180</u>
		<u>162,222</u>	<u>156,764</u>
4	<u>TAXATION</u>		
	UK Corporation Tax - current year	25,303	8,062
	- prior year	-	(174)
	Deferred tax charge	<u>5,277</u>	<u>1,247</u>
		<u>30,580</u>	<u>9,135</u>

PAC GRAPHICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010 (Contd)****4 TAXATION (Contd)**

The tax assessed for the period is higher than the standard rate of UK taxation applicable to the company of 21%. The differences are explained below

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Profit on ordinary activities before tax	<u>128,074</u>	<u>41,841</u>
Profit on ordinary activities multiplied by standard rates of 21%	26,896	8,786
Expenses not deductible for tax purposes	420	300
Depreciation for period in excess of capital allowances	11,657	(1,042)
Adjustments to tax charge in profit on disposal of fixed assets	<u>(13,670)</u>	<u>18</u>
Current tax charge for the period	<u>25,303</u>	<u>8,062</u>

5 TANGIBLE FIXED ASSETS

	<u>Freehold Land and Buildings</u>	<u>Plant and Machinery etc</u>	<u>Total</u>
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>
At 1 June 2009	389,826	526,508	916,334
Additions	-	81,600	81,600
Disposals	-	<u>(122,288)</u>	<u>(122,288)</u>
At 31 May 2010	<u>389,826</u>	<u>485,820</u>	<u>875,646</u>
<u>Depreciation</u>			
At 1 June 2009	-	437,891	437,891
Charge for the year	-	50,558	50,558
Written back on disposals	-	<u>(120,328)</u>	<u>(120,328)</u>
At 31 May 2010	-	<u>368,121</u>	<u>368,121</u>
<u>Net Book Value</u>			
At 31 May 2010	<u>389,826</u>	<u>117,699</u>	<u>507,525</u>
At 31 May 2009	<u>389,826</u>	<u>88,617</u>	<u>478,443</u>

PAC GRAPHICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010 (Contd)**

6	<u>DEBTORS</u>	<u>2010</u>	<u>2009</u>
		<u>£</u>	<u>£</u>
	Due within one year		
	Trade debtors	148,066	83,802
	Other debtors	<u>13,900</u>	<u>13,058</u>
		<u>161,966</u>	<u>96,860</u>

7	<u>CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	<u>2010</u>	<u>2009</u>
		<u>£</u>	<u>£</u>
	Trade Creditors & Accruals	39,251	35,529
	Corporation Tax	25,303	8,062
	Other creditors	<u>39,162</u>	<u>33,816</u>
		<u>103,716</u>	<u>77,407</u>

Included within other creditors is an amount of £12,358 (2009 - £7,229) relating to Social Security and other taxes

8	<u>DEFERRED TAXATION</u>	<u>2010</u>	<u>2009</u>
		<u>£</u>	<u>£</u>
	Balance at 1 June	14,131	12,883
	Charge (credit) for year	<u>5,277</u>	<u>1,247</u>
	Balance at 31 May	<u>19,408</u>	<u>14,130</u>

The provision for deferred taxation is made up of accelerated capital allowances

9	<u>SHARE CAPITAL</u>	<u>2010</u>	<u>2009</u>
		<u>£</u>	<u>£</u>
	<u>Allotted, Called up and Fully Paid</u>		
	Ordinary shares of £1 each	<u>100</u>	<u>100</u>

PAC GRAPHICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010 (Contd)**

10	<u>RECONCILIATION OF RESERVES</u>	<u>Profit & Loss</u> <u>Account</u> <u>£</u>	<u>Called Up</u> <u>Share Capital</u> <u>£</u>
	Balance at 1 June 2009	799,633	100
	Profit for the year	97,494	-
	Dividends paid	-	-
	Balance at 31 May 2010	<u>897,127</u>	<u>100</u>

11 **PENSION COMMITMENTS**

The company operates a defined contribution pension scheme, PAC Graphics Limited Pension Scheme, for the directors and senior employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date there were no unpaid contributions (2009 - £nil) due to the fund.

12 **RELATED PARTIES**

The controlling party is L R Allen by virtue of his ownership of 51% of the issued ordinary share capital in the company.