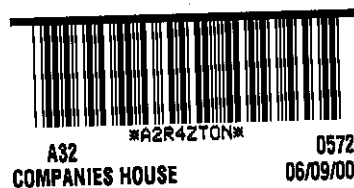


Access Plus Marketing Services Limited

Report and Accounts

31 December 1999

Registered Number - 1594411



DIRECTORS

T G Brettell - Chairman
S T Avery
N J Haigh
P R V Houston
P C Jowett
G Kempton
G Petts

SECRETARY

Y P Fowen

AUDITORS

Ernst & Young
One Bridewell Street
Bristol
BS1 2AA

BANKERS

HSBC plc
49 Corn Street
Bristol
BS99 7PP

Fortis Bank Limited
The Imperium
Worton Grange
Imperial Way
Reading
RG2 0TD

SOLICITORS

Burges Salmon
Narrow Quay House
Prince Street
Bristol
BS1 4AH

REGISTERED OFFICE

Access House
The Promenade
Clifton Down
Bristol
BS8 3AQ

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 1999.

RESULTS AND DIVIDENDS

The profit after taxation for the year amounted to £1,950,144 (1998 - £1,433,200). The directors recommend a final ordinary dividend of £796,565, making the total of ordinary dividends £1,186,679 (1998 - £984,228) for the year.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The principal activity of the company in the year was the provision of print related marketing services and products. 1999 witnessed an increase in the company's activities and the directors look forward to further growth in 2000.

DIRECTORS AND THEIR INTERESTS

The directors at 31 December 1999 and their interests in the share capital of the ultimate parent undertaking, Access Plus PLC, were as follows:

	<i>31 December 1999</i>	<i>1 January 1999</i>
	<i>10p Ordinary shares</i>	<i>10p Ordinary shares</i>
	<i>No.</i>	<i>No.</i>
T G Brettell - Chairman	4,300,090	4,300,090
S T Avery	1,038,461	1,067,873
N J Haigh	1,346,583	1,346,583
P R V Houston	19,073	19,073
P C Jowett	115,385	115,385
G Kempton	248,905	248,905
G Petts	63,000	-

P R V Houston has existing options to purchase 200,000 10p ordinary shares, in Access Plus PLC, at 170 pence each, of which 50,000 are conditional upon future results. G Petts has existing options to purchase 75,000 shares, in Access Plus PLC, at 195 pence each, conditional upon future results. On 6 April 1999, G Petts exercised options to purchase 186,000 shares in Access Plus PLC, at 10 pence each. At that date, the market price was 245 pence per share.

No director had any interest in the shares of the company.

CREDITOR PAYMENT POLICY AND PRACTICE

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with. At 31 December 1999, the company had an average of 59 days purchases outstanding in trade creditors.

CHARITABLE DONATIONS

During the year the company made charitable donations amounting to £9,091 (1998 - £3,896).

DIRECTORS' REPORT

YEAR 2000

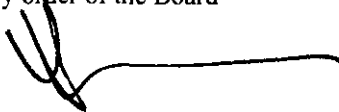
The directors are pleased to confirm that the company has experienced no problems in connection with the Year 2000 issue either before or after 1 January 2000. They are mindful, however, that further potential date related challenges remain in 2000, and they are continuing to take steps to eliminate the impact of the issue on the current and future activities of the company and are taking appropriate action to deal with the issue.

Given the complexity of the issue, it is not possible for any organisation to be confident that no further problems will occur. The directors, however, believe that a material and acceptable state of readiness has already been and will be achieved. Any anticipated costs of further modifications to our computer hardware and software are not expected to be material. Any such costs will be charged to profit and loss in 2000.

AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the Board



Secretary

Date 4 September 2000

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, 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 accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

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 enable them to ensure that the accounts 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.

REPORT OF THE AUDITORS

to the members of Access Plus Marketing Services Limited

We have audited the accounts on pages 7 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

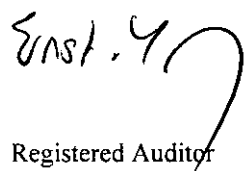
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Registered Auditor
Bristol

Date 4/9/00

Access Plus Marketing Services Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 1999

	Notes	1999 £	1998 £
TURNOVER	2	14,470,726	12,621,406
Cost of sales		10,158,019	8,942,731
Gross profit		4,312,707	3,678,675
Administrative expenses		1,598,212	1,690,654
OPERATING PROFIT	3	2,714,495	1,988,021
Bank interest receivable		107,515	112,935
Bank interest payable		(196)	(850)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,821,814	2,100,106
Tax on profit on ordinary activities	5	871,670	666,906
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		1,950,144	1,433,200
Dividends	6	1,186,679	984,228
RETAINED PROFIT FOR THE FINANCIAL YEAR	13	763,465	448,972

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 December 1999

There are no recognised gains or losses other than the profit of £1,950,144 for the year ended 31 December 1999 and of £1,433,200 for the year ended 31 December 1998.

RECONCILIATION OF SHAREHOLDERS' FUNDS for the year ended 31 December 1999

	1999 £	1998 £
Total recognised gains and losses	1,950,144	1,433,200
Dividends	(1,186,679)	(984,228)
Total movements during the year	763,465	448,972
Shareholders' funds at 1 January	1,499,372	1,050,400
Shareholders' funds at 31 December	2,262,837	1,499,372

BALANCE SHEET
at 31 December 1999

	Notes	1999 £	1998 £
FIXED ASSETS			
Tangible assets	7	558,206	433,742
CURRENT ASSETS			
Stocks	8	200,348	215,717
Debtors	9	4,226,099	2,855,818
Cash at bank and in hand		1,235,411	1,581,634
		5,661,858	4,653,169
CREDITORS: amounts falling due within one year	10	3,931,605	3,565,507
NET CURRENT ASSETS		1,730,253	1,087,662
TOTAL ASSETS LESS CURRENT LIABILITIES		2,288,459	1,521,404
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	11	25,622	22,032
		2,262,837	1,499,372
CAPITAL AND RESERVES			
Called up share capital	12	1,000	1,000
Profit and loss account	13	2,261,837	1,498,372
EQUITY SHAREHOLDERS' FUNDS		2,262,837	1,499,372

ERNST & YOUNG


- Director

Date 4 September 2000

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value, of each asset using the reducing balance method, over its expected useful life, as follows:

Motor vehicles	- 25%
Computers and software	- 25%
Fixtures and fittings	- 10%

Leasehold improvements have been depreciated, using the straight line method, over the period of the lease to the next option-to-break clause.

Stocks

Stocks are stated at the lower of cost, on a first-in, first-out basis and net realisable value.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that taxation will be payable.

Pensions

The Company contributes to a number of defined contribution personal pension plans held for the benefit of individual employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

Leasing commitments

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

Cash flow statement

The company claims exemption from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of Access Plus PLC which has prepared a group cash flow statement.

2. TURNOVER

Turnover represents the amount derived from the provision of goods and services during the year stated net of value added tax. The turnover and pre-tax profit is attributable to one continuing activity, the provision of print related marketing services and products within the United Kingdom.

NOTES TO THE ACCOUNTS
at 31 December 1999

3. OPERATING PROFIT

(a) This is stated after charging/(crediting):	1999 £	1998 £
Directors' remuneration (see below)	342,553	351,202
Auditors' remuneration		
- audit service	6,700	6,500
- non audit services	3,750	3,750
Depreciation of owned fixed assets	119,880	92,681
Loss/(profit) on disposal of tangible fixed assets	10,682	(1,901)
Operating lease rentals - land and buildings	53,040	86,791

(b) Directors' remuneration:	1999 £	1998 £
Emoluments	320,477	329,126
Company contributions paid to defined contribution scheme	22,076	22,076
	342,553	351,202

All pension contributions are to personal pension plans held for the benefit of individual directors.

	1999 No.	1998 No.
Members of defined contribution pension scheme	3	3

The amounts in respect of the highest paid director are as follows:

	1999 £	1998 £
Emoluments	86,749	94,217
Company contributions paid to defined contribution scheme	-	-
	86,749	94,217

4. STAFF COSTS

	1999 £	1998 £
Wages, salaries and fees	931,184	943,669
Social security costs	110,409	107,432
Other pension costs	31,797	31,797
	1,073,390	1,082,898

The average monthly number of employees during the year was 25 (1998 - 24).

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1999 £	1998 £
UK corporation tax		
- current year	864,882	653,751
- prior year	3,198	-
Deferred taxation (note 11)	3,590	13,155
	871,670	666,906

NOTES TO THE ACCOUNTS
at 31 December 1999

6. DIVIDENDS

	1999 £	1998 £
Under provision for prior year	4,680	-
Ordinary interim dividends paid	385,434	328,076
Ordinary final dividend proposed/paid	796,565	656,152
	<u>1,186,679</u>	<u>984,228</u>

7. TANGIBLE FIXED ASSETS

	<i>Leasehold improvements</i> £	<i>Motor vehicles</i> £	<i>Fixtures and fittings</i> £	<i>Computer software</i> £	<i>Total</i> £
Cost:					
At 1 January 1999	65,437	377,344	233,505	46,852	723,138
Additions	18,531	206,236	28,266	60,468	313,501
Disposals	-	(162,985)	-	-	(162,985)
At 31 December 1999	<u>83,968</u>	<u>420,595</u>	<u>261,771</u>	<u>107,320</u>	<u>873,654</u>
Depreciation:					
At 1 January 1999	6,106	159,904	109,060	14,326	289,396
Provided during the year	14,926	78,888	13,215	12,851	119,880
Disposals	-	(93,828)	-	-	(93,828)
At 31 December 1999	<u>21,032</u>	<u>144,964</u>	<u>122,275</u>	<u>27,177</u>	<u>315,448</u>
Net book value:					
At 31 December 1999	<u>62,936</u>	<u>275,631</u>	<u>139,496</u>	<u>80,143</u>	<u>558,206</u>
At 1 January 1999	<u>59,331</u>	<u>217,440</u>	<u>124,445</u>	<u>32,526</u>	<u>433,742</u>

8. STOCKS

	1999 £	1998 £
Goods for resale	<u>200,348</u>	<u>215,717</u>

9. DEBTORS

	1999 £	1998 £
Trade debtors	3,631,272	2,477,509
Prepayments and accrued income	43,525	92,052
Amounts due from fellow subsidiary undertakings	551,302	286,257
	<u>4,226,099</u>	<u>2,855,818</u>

NOTES TO THE ACCOUNTS
at 31 December 1999

10. CREDITORS: amounts falling due within one year

	1999 £	1998 £
Trade creditors	2,123,474	1,717,683
Amounts owed to parent undertaking	49,267	405,390
Current corporation tax	629,887	443,572
Advance corporation tax payable	-	82,019
Other taxes and social security costs	204,410	124,364
Accruals	128,002	136,327
Proposed dividend	796,565	656,152
	<u>3,931,605</u>	<u>3,565,507</u>

The company has an overdraft facility which was not used at 31 December 1999. This facility is secured by a fixed and floating charge over the assets of the company.

11. PROVISIONS FOR LIABILITIES AND CHARGES

	1999 £	1998 £
Deferred taxation:		
At 1 January	22,032	8,877
Arising during the year	3,590	13,155
At 31 December	<u>25,622</u>	<u>22,032</u>

Deferred taxation provided in the accounts which represents the full potential liability is as follows:

	1999 £	1998 £
Capital allowances in advance of depreciation	<u>25,622</u>	<u>22,032</u>

All timing differences are expected to reverse in the foreseeable future.

12. SHARE CAPITAL

	Authorised		Issued, called up and fully paid	
	1999 No.	1998 No.	1999 £	1998 £
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

NOTES TO THE ACCOUNTS
at 31 December 1999

13. RESERVES

	<i>Profit and loss account £</i>
At 1 January 1999	1,498,372
Retained profit for the year	763,465
At 31 December 1999	<u>2,261,837</u>

14. DIRECTORS' INTERESTS

The company leases its head office premises at Access House, The Promenade, Clifton Down, Bristol at an annual rent of £31,000. The landlord is the company's defined contribution pension scheme of which T G Brettell is a beneficiary.

15. PENSION COMMITMENTS

The company also makes contributions to a number of defined contribution personal pension plans held for the benefit of individual employees. The amount charged to the profit and loss account in 1999 was £19,857 (1998 - £19,857).

16. OTHER FINANCIAL COMMITMENTS

At 31 December 1999 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and buildings</i>	
	<i>1999</i>	<i>1998</i>
	<i>£</i>	<i>£</i>
Operating leases which expire:		
Within one year	22,040	22,040
In two to five years	31,000	31,000
	<u> </u>	<u> </u>

17. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS8 from disclosing transactions with other related parties which form part of the Access Plus PLC group of companies.

The company leases its premises at Access House, The Promenade, Clifton, Bristol at an annual rent of £31,000 from the defined contribution scheme of which Mr Brettell is a beneficiary.

18. ULTIMATE PARENT UNDERTAKING

In the opinion of the directors, the ultimate parent undertaking is Access Plus PLC. Copies of the group accounts of Access Plus PLC, which include Access Plus Marketing Services Limited, may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.