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# Eurographic Industries Limited

Report and Financial Statements  
Year Ended 31 March 1994

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◆ *April 1995* ◆

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Company No: 2057877

## EUROGRAPHIC INDUSTRIES LIMITED

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## EUROGRAPHIC INDUSTRIES LIMITED

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### COMPANY INFORMATION

Directors	B M Smith (USA) (Chairman) C Little J Stone
Secretary	J Stone
Registered office	30 St James's Street London SW1A 1HB
Bankers	Barclays Bank PLC 40 Corn Street Bristol BS99 7AJ
Auditors	Robson Rhodes Chartered Accountants 10 Queen Square Bristol BS1 4NT
Solicitors	Theodore Goddard 16 St Martins-Le-Grand London EC1A 4EJ

## **EUROGRAPHIC INDUSTRIES LIMITED**

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### **REPORT OF THE DIRECTORS**

The directors present their report and the audited financial statements of the company for the year ended 31 March 1994.

#### **Principal activities**

The principal activity of the company continues to be the repair of computer monitor equipment.

#### **Review of the business**

The company has had a good year and the directors are confident of continued development in the future.

#### **Results and dividend**

The results of the company for the year are set out in detail on page 5.

The directors do not recommend the payment of a dividend.

#### **Fixed assets**

The movement in fixed assets is set out in note 8 to the financial statements on page 10.

#### **Directors**

The directors of the company, all of whom served throughout the year, are shown on page 1.

The interests of the directors in the shares of the company are noted below:

	<b>£1 Ordinary Shares</b>	
	<b>1994</b>	<b>1993</b>
	<b>No</b>	<b>No</b>
C Little	20	20

None of the other directors had any interest in the shares of the company during the year.

The interests of the directors in the shares of the parent undertaking Synergy Management Limited are shown in that company's accounts.

## EUROGRAPHIC INDUSTRIES LIMITED

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### REPORT OF THE DIRECTORS (CONTINUED)

#### 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 and of the profit of the company for that period. In preparing these financial statements the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

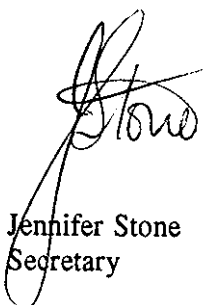
#### Donations

Charitable donations made during the year amounted to £5,950 (1993: £2,250).

#### Auditors

Messrs Robson Rhodes have expressed their willingness to continue in office as auditors and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

The report of the directors was approved by the Board on *28 April* 1995 and signed on its behalf by:



Jennifer Stone  
Secretary

## **EUROGRAPHIC INDUSTRIES LIMITED**

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### **REPORT OF THE AUDITORS**

#### **TO THE MEMBERS OF EUROGRAPHIC INDUSTRIES LIMITED**

We have audited the financial statements on pages 5 to 13 which have been prepared on the basis of the accounting policies set out on page 7.

#### **Respective responsibilities of directors and auditors**

As described on page 3 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.

#### **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 judgments 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 affairs of the company as at 31 March 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Robson Rhodes  
Chartered Accountants and Registered Auditor

Bristol

28 April 1995

**EUROGRAPHIC INDUSTRIES LIMITED**

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**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 March 1994

	Note	1994 £	1993 £
Turnover: continuing operations	1,2	2,526,328	1,378,795
Cost of sales		(1,325,592)	(767,386)
Gross profit		<u>1,200,736</u>	<u>611,409</u>
Distribution costs		(217,216)	(74,687)
Administrative expenses		(645,815)	(397,412)
Operating profit: continuing operations	3	<u>337,705</u>	<u>139,310</u>
Interest receivable	4	-	495
Interest payable	5	(10,121)	(4,456)
Profit on ordinary activities before taxation		<u>327,584</u>	<u>135,349</u>
Tax on profit on ordinary activities	7	(86,930)	-
Profit on ordinary activities after taxation retained for the year	14	<u><u>240,654</u></u>	<u><u>135,349</u></u>

There were no recognised gains or losses other than those reported above.

# EUROGRAPHIC INDUSTRIES LIMITED

## BALANCE SHEET at 31 March 1994

	Note	1994 £	1993 £
<b>Fixed assets</b>			
Tangible assets	8	199,214	160,949
<b>Current assets</b>			
Stocks	9	79,531	48,683
Debtors	10	493,299	308,073
Cash at bank and in hand		482,708	223,661
		<u>1,055,538</u>	<u>580,417</u>
Creditors: amounts falling due within one year	11	(632,945)	(362,601)
Net current assets		<u>422,593</u>	<u>217,816</u>
Total assets less current liabilities		<u>621,807</u>	<u>378,765</u>
Creditors: amounts falling due after more than one year	12	(14,771)	(12,383)
		<u>607,036</u>	<u>366,382</u>
<b>Capital and reserves</b>			
Called up share capital	13	100	100
Profit and loss account	14	606,936	366,282
		<u>607,036</u>	<u>366,382</u>

The financial statements were approved by the Board on 28 April 1995 and signed on its behalf by:

Bruce Smith  
Director





## **EUROGRAPHIC INDUSTRIES LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS**

**31 March 1994**

#### **1. ACCOUNTING POLICIES**

##### **Basis of accounting**

The financial statements are prepared under the historical cost convention.

##### **Turnover**

Turnover consists of the invoiced value, excluding VAT, for goods and services supplied to third parties.

##### **Tangible fixed assets and depreciation**

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used are:

Fixtures and fittings	10%
Plant and equipment	10%
Motor vehicles	25%
Computer equipment	25%

##### **Assets purchased under hire purchase agreement**

Where assets are financed by hire purchase agreements, the assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account evenly over the period of the agreement.

##### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

##### **Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are invested and managed independently of the finances of the company. The pension cost charge represents contributions payable in the year.

##### **Taxation**

The charge for taxation is based on the result for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

##### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

##### **Cash flow**

The company is exempt from producing a cash flow statement because it qualifies as a small company.

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**EUROGRAPHIC INDUSTRIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS****31 March 1994****2. ANALYSIS OF TURNOVER**

The analysis of turnover by geographical market is as follows:

	1994 £	1993 £
United Kingdom	2,276,862	1,275,824
Europe	249,466	102,971
	<u>2,526,328</u>	<u>1,378,795</u>

**3. OPERATING PROFIT**

	1994 £	1993 £
Operating profit is arrived at after charging:		
Depreciation	36,088	38,161
Auditors remuneration	4,500	4,600
Directors remuneration	43,222	21,296
(Profit)/loss on exchange	(232)	(55)
	<u></u>	<u></u>

**4. INTEREST RECEIVABLE**

	1994 £	1993 £
Bank interest	-	495
	<u></u>	<u></u>

**5. INTEREST PAYABLE**

	1994 £	1993 £
Hire purchase	3,580	4,380
Interest on corporation tax	6,541	76
	<u>10,121</u>	<u>4,456</u>

## EUROGRAPHIC INDUSTRIES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS

31 March 1994

#### 6. EMPLOYEES

	1994 No	1993 No
Average number of people (including directors) employed by the company during the year:		
Production	59	53
Administration	8	5
	<u>67</u>	<u>58</u>

Costs in respect of these employees:

	1994 £	1993 £
Wages and salaries	729,463	548,024
Social security costs	55,503	42,392
Pension costs	7,719	156
	<u>792,685</u>	<u>590,572</u>

#### 7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1994 £	1993 £
Charge for taxation based on the profit for the year:		
Corporation tax at 33% (1993: 33%)	90,000	-
Overprovision in prior year	(3,070)	-
	<u>86,930</u>	<u>-</u>

**EUROGRAPHIC INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 March 1994**

**8. TANGIBLE ASSETS**

	Plant & computer equipment £	Fixtures & fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 1993	173,724	87,772	43,550	305,046
Additions	51,619	8,879	15,150	75,648
Disposals	-	-	(9,600)	(9,600)
At 31 March 1994	<u>225,343</u>	<u>96,651</u>	<u>49,100</u>	<u>371,094</u>
<b>Depreciation</b>				
At 1 April 1993	98,489	24,918	20,690	144,097
Charge for year	15,845	9,083	11,160	36,088
Disposals	-	-	(8,305)	(8,305)
At 31 March 1994	<u>114,334</u>	<u>34,001</u>	<u>23,545</u>	<u>171,880</u>
<b>Net book value</b>				
At 31 March 1994	111,009	62,650	25,555	199,214
At 31 March 1993	<u>75,235</u>	<u>62,854</u>	<u>22,860</u>	<u>160,949</u>

The net book value of tangible fixed assets includes £35,626 (1993: £25,542) in respect of assets held under hire purchase agreements. Depreciation charged in the year on those assets amounted to £9,260 (1993: £12,620).

**EUROGRAPHIC INDUSTRIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS****31 March 1994****9. STOCKS**

	1994 £	1993 £
Raw materials and consumables	79,531	48,683

The replacement cost of the above stocks would not be significantly different from the values stated.

**10. DEBTORS**

	1994 £	1993 £
Trade debtors	424,189	259,377
Amounts owed by group undertakings	40,773	18,951
Other debtors	500	300
Prepayments and accrued income	27,837	29,445
	<u>493,299</u>	<u>308,073</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	1994 £	1993 £
Obligations under hire purchase agreements	14,322	14,268
Trade creditors	206,805	109,166
Amounts owed to group undertakings	159,044	54,889
Corporation tax	115,302	101,622
Other taxation and social security	118,322	58,297
Other creditors	8,251	12,269
Accruals and deferred income	10,899	12,090
	<u>632,945</u>	<u>362,601</u>

## EUROGRAPHIC INDUSTRIES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS 31 March 1994

#### 12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1994 £	1993 £
Obligations under hire purchase agreements - due within 2 - 5 years	14,771	12,383

#### 13. CALLED UP SHARE CAPITAL

	1994 £	1993 £
Authorised 5,000 ordinary shares of £1 each	5,000	5,000
Allotted and fully paid 100 ordinary shares of £1 each	100	100

#### 14. PROFIT AND LOSS ACCOUNT

	£
At 1 April 1993	366,282
Profit for the year	240,654
At 31 March 1994	606,936

#### 15. FINANCIAL COMMITMENTS

	1994 £	1993 £
Capital commitments		
Capital expenditure commitments were as follows:		
Contracted for but not provided in the accounts	Nil	Nil
Authorised by the directors, but not contracted	Nil	Nil

#### Hire purchase and leasing commitments

The commitments under hire purchase agreements are included in creditors and disclosed in notes 11 and 12.

## EUROGRAPHIC INDUSTRIES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS

31 March 1994

#### 15. FINANCIAL COMMITMENTS (CONTINUED)

The annual commitments under operating leases are analysed according to the period in which the lease expires as follows:

	1994 £	1993 £
Land and buildings leases		
- expiring after 5 years	54,625	54,625
- expiring in the second to fifth years	50,000	50,000
	<u>104,625</u>	<u>104,625</u>

#### 16. CONTINGENT LIABILITIES

The company is party to a composite accounting agreement system with its bankers. Interest on the overdrawn group balance is charged at 2% above the base rate of Barclays Bank Plc. At 31 March 1994 the group's net bank balance under this agreement was a surplus of £142,284 (1993: deficit of £156,306). Since 31 March 1994 this agreement has been revoked and cancelled.

#### 17. PARENT UNDERTAKING

The company is a subsidiary of Synergy Management Limited, a company incorporated in England.

#### 18. ULTIMATE PARENT UNDERTAKING

The ultimate parent company is Hemisphere Holdings Limited, a company incorporated in Bermuda.