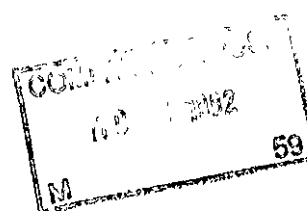


Reg.no. 2109452

THE DOCUMENT STORAGE COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1992



THE DOCUMENT STORAGE COMPANY LIMITED  
INDEX TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 1992

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2	Auditors' Report to the Members
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**THE DOCUMENT STORAGE COMPANY LIMITED**

**DIRECTORS' REPORT**

The directors present herewith their annual report, together with the audited financial statements of the company for the year ended 31st March 1992.

**RESULTS AND DIVIDENDS**

The profit for the year after taxation was £76,071.

The directors do not recommend payment of a dividend for the current year.

The profit transferred to reserves was £76,071.

**REVIEW OF THE BUSINESS**

The trading year ending 31st March 1992 proved to be another successful year for The Document Storage Company Limited. Turnover was increased by 16% and more importantly, a 49% increase was achieved in storage income - an extremely creditable performance during these difficult times. Profits were increased by 7.5% over the previous year painting an extremely satisfactory picture.

During the course of the year the company took on a new warehouse which will initially have the effect of reducing the company's profitability, but during the current trading year as the warehouse is filled, the company will reap the benefits of the additional income supporting and then surpassing the additional cost of this facility.

At the time of writing this report it is pleasing to note that management accounts for the first quarter of the trading year ending 31st March 1993 show turnover and profitability continuing to increase.

**DIRECTORS AND THEIR INTERESTS**

The directors of the company at 31st March 1992 and their interests in the share capital of the company were as follows:

	<u>Number of shares</u>	
	<u>31st March 1992</u>	<u>1st April 1991</u>
C.R. Nicholls	70	70
K. Sadler	70	70
P. Tennant	-	-

**FIXED ASSETS**

The movements in fixed assets during the year are set out in the notes to the financial statements.

**AUDITORS**

It is proposed that the company's present auditors, Messrs. Hartley Fowler, be reappointed as auditors to the company to hold office for the ensuing year.

By Order of the Board

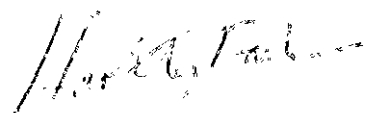
C.R. Nicholls  
Secretary

31st May 1992

AUDITORS' REPORT TO THE MEMBERS OF  
THE DOCUMENT STORAGE COMPANY LIMITED

We have audited the financial statements on pages 3 to 12 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March 1992 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
HARTLEY FOWLER  
Registered Auditor  
Chartered Accountants

240 London Road  
Mitcham  
Surrey CR4 3TY

31st May 1992

**THE DOCUMENT STORAGE COMPANY LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST MARCH 1992**

	<u>Notes</u>	<u>1992</u> <u>£</u>	<u>1991</u> <u>£</u>
TURNOVER	2	735,167	635,134
Cost of sales		(100,854)	(111,057)
GROSS PROFIT		634,313	524,077
Administrative expenses		(478,532)	(378,983)
OPERATING PROFIT	3/4	155,781	145,094
Interest payable	5	(70,210)	(65,422)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		85,571	79,672
Tax on profit on ordinary activities	6	(9,500)	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		76,071	79,672
RETAINED LOSS BROUGHT FORWARD		(137,056)	(216,728)
RETAINED LOSS CARRIED FORWARD		<u>£(60,985)</u>	<u>£(137,056)</u>

**THE DOCUMENT STORAGE COMPANY LIMITED**

**BALANCE SHEET**

**AS AT YEAR ENDED 31ST MARCH 1992**

	<u>Notes</u>	£	<u>1992</u>	£	£	<u>1991</u>	£
<b>FIXED ASSETS</b>							
Tangible assets	7			998,692			966,574
Investments	8			56			56
				<u>998,748</u>			<u>966,630</u>
<b>CURRENT ASSETS</b>							
Stocks	9	20,495				17,625	
Debtors	10	139,380				121,364	
Cash in hand		408				900	
				<u>160,283</u>		<u>139,889</u>	
CREDITORS – amounts falling due within one year	11	238,633				<u>351,028</u>	
<b>NET CURRENT LIABILITIES</b>				<b>(78,350)</b>			<b>(211,139)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<b>920,398</b>			<b>755,491</b>
CREDITORS – amounts falling due after more than one year	12			<u>389,870</u>			<u>296,034</u>
<b>TOTAL NET ASSETS</b>				<b><u>£530,528</u></b>			<b><u>£459,457</u></b>


Financed by:

**CAPITAL AND RESERVES**

Called up share capital	15		15			15	
Share premium	16		49,940			49,940	
Revaluation reserve	17		526,558			526,558	
Loan stock			15,000			20,000	
Profit and loss account			(60,985)			(137,056)	
			<u>£530,528</u>			<u>£459,457</u>	

**Approved by the Board on  
31st May 1992**

  
**C.R. Nicholls (Director)**

  
**K. Sadler (Director)**

**THE DOCUMENT STORAGE COMPANY LIMITED**

**BALANCE SHEET**

**AS AT YEAR ENDED 31ST MARCH 1992**

	<u>Notes</u>	£	<u>1992</u>	£	£	<u>1991</u>	£
<b>FIXED ASSETS</b>							
Tangible assets	7		998,692			966,574	
Investments	8		56			56	
			<u>998,748</u>			<u>966,630</u>	
 <b>CURRENT ASSETS</b>							
Stocks	9	20,495			17,625		
Debtors	10	139,380			121,364		
Cash in hand		408			900		
			<u>160,283</u>		<u>139,889</u>		
<b>CREDITORS - amounts falling due within one year</b>	11		<u>238,633</u>		<u>351,028</u>		
<b>NET CURRENT LIABILITIES</b>				<u>(78,350)</u>		<u>(211,139)</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>920,398</u>			<u>755,491</u>
 <b>CREDITORS - amounts falling due after more than one year</b>	12			<u>389,870</u>			<u>296,034</u>
<b>TOTAL NET ASSETS</b>				<u><u>£530,528</u></u>			<u><u>£459,457</u></u>

Financed by:

**CAPITAL AND RESERVES**

Called up share capital	15		15		15	
Share premium	16		49,940		49,940	
Revaluation reserve	17		526,558		526,558	
Loan stock			15,000		20,000	
Profit and loss account			(60,985)		(137,056)	
			<u>£530,528</u>		<u>£459,457</u>	

Approved by the Board on  
31st May 1992

C.R. Nicholls (Director)

K. Sadler (Director)

THE DOCUMENT STORAGE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED YEAR ENDED 31ST MARCH 1992

**1. ACCOUNTING POLICIES**

**1.1 Accounting conventions**

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

**1.2 Turnover**

Turnover represents the invoiced amounts of goods sold and services provided, net of value added tax.

**1.3 Depreciation of tangible assets**

Depreciation is provided on all tangible assets, other than freehold land and buildings, at rates calculated to write off the cost or valuation, less estimated residual value of each asset over its expected useful life as follows:

Leasehold buildings:	- evenly over the lease term
Computer:	- 33% per annum on cost
Fixtures and fittings:	- 10% per annum on cost
Racking:	- 5% per annum on cost
Plant and machinery:	- 10% per annum on cost
Motor vehicles:	- 25% per annum on cost

**1.4 Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**1.5 Leasing and hire purchase commitments**

Assets acquired under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their expected useful lives.

The interest element of the instalments is charged to the profit and loss account over the period of the contract.

**1.6 Operating leases**

Rentals paid under operating leases are charged to profit and loss account as incurred.

**2. TURNOVER**

The turnover and pre-tax profit are wholly attributable to the company's main activity.

The turnover arises entirely in the United Kingdom.



THE DOCUMENT STORAGE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED YEAR ENDED 31ST MARCH 1992

**3. OPERATING PROFIT**

	<u>1992</u> £	<u>1991</u> £
This is stated after charging/(crediting):		
Auditors' remuneration	2,750	2,750
Depreciation	18,511	11,519
Adjustment on disposal of fixed assets	(12,146)	180
Hire of equipment	955	2,503
Rentals under operating leases:		
Land and buildings	101,094	64,524
	<u>          </u>	<u>          </u>

**4. EMPLOYEE INFORMATION**

	<u>1992</u> £	<u>1991</u> £
<b>4.1 Staff costs:</b>		
Wages and salaries	235,063	203,111
Other pension costs	3,449	3,171
	<u>          </u>	<u>          </u>
	£238,512	£206,282
	<u>          </u>	<u>          </u>

	No.	No.
<b>4.2 The average weekly number of employees during the year was made up as follows:</b>		
Office and management	8	7
Direct labour	8	7
Sales assistants	3	2
	<u>      </u>	<u>      </u>
	19	16
	<u>      </u>	<u>      </u>

**4.3 Directors' emoluments:**

	£	£
Fees and salaries	60,250	47,308
Pension contributions	3,449	3,171
	<u>          </u>	<u>          </u>
	£ 63,699	£ 50,479
	<u>          </u>	<u>          </u>
Further details, excluding pension contributions:		
Chairman and highest paid director	£ 35,000	£ 30,000
	<u>          </u>	<u>          </u>

THE DOCUMENT STORAGE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED YEAR ENDED 31ST MARCH 1992

5. INTEREST PAYABLE

	<u>1992</u> £	<u>1991</u> £
Bank overdraft wholly repayable within 5 years	2,717	17,442
Bank loans wholly repayable within 5 years	5,960	17,352
Bank loans not wholly repayable within 5 years	54,170	24,756
Finance leases	4,621	5,171
Hire purchase contracts	2,742	701
	<u>£ 70,210</u>	<u>£ 65,422</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1992</u> £	<u>1991</u> £
6.1 Based on the results of the year:		
U.K. corporation tax at 25% (1991 - 25%)	£ 9,500	£ -
6.2 The company is a close company within the terms of section 414 of the Income and Corporation Taxes Act 1988.		

**THE DOCUMENT STORAGE COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED YEAR ENDED 31ST MARCH 1992**

**7. TANGIBLE FIXED ASSETS**

	<u>Land and buildings</u>	<u>Fixtures and fittings</u>	<u>Plant and machinery</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£	£
Cost:					
At 1st April 1991	861,619	17,644	99,500	15,472	994,235
Additions	39,585	16,498	7,500	24,900	88,483
Disposals	(37,854)	-	-	-	(37,854)
At 31st March 1992	<u>863,350</u>	<u>34,142</u>	<u>107,000</u>	<u>40,372</u>	<u>1,044,864</u>
Depreciation:					
At 1st April 1991	4,838	3,215	13,135	6,473	27,661
Charge for year	1,671	3,507	6,352	6,981	18,511
At 31st March 1992	<u>6,509</u>	<u>6,722</u>	<u>19,487</u>	<u>13,454</u>	<u>46,172</u>
Net book value at 31st March 1992	<u>£856,841</u>	<u>£ 27,420</u>	<u>£ 87,513</u>	<u>£ 26,918£</u>	<u>998,692</u>
Net book value at 31st March 1991	<u>£856,781</u>	<u>£ 14,429</u>	<u>£ 86,365</u>	<u>£ 8,999£</u>	<u>966,574</u>
Cost or valuation at 31st March 1992 comprises:					
Valuation in 1989					526,558
At cost					518,306
					<u>£1,044,864</u>

THE DOCUMENT STORAGE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED YEAR ENDED 31ST MARCH 1992

7. TANGIBLE FIXED ASSETS (continued)

Land and buildings included at valuation would have been included on an historical cost basis at the following amounts:

	<u>1992</u> £	<u>1991</u> £
Cost	336,792	335,061
Depreciation	6,509	4,838
	<hr/>	<hr/>
Net book value	£330,283£	330,223
	<hr/>	<hr/>

The net book values of land and buildings comprise:

	<u>1992</u> £	<u>1991</u> £
Freehold	826,974	840,102
Long leasehold	21,158	16,679
Short leasehold	8,709	-
	<hr/>	<hr/>
	£856,841£	856,781
	<hr/>	<hr/>

Included in the amounts for plant and machinery above are the following amounts relating to leased assets and assets which are subject to hire purchase contracts.

	<u>Finance</u> <u>leases</u>	<u>Hire</u> <u>purchase</u> <u>contracts</u>
Cost:		
At 1st April 1991	£ 22,745£	37,992
At 31st March 1992	£ 22,745£	37,992
Accumulated depreciation:		
At 1st April 1991	£ 679£	657
At 31st March 1992	£ 1,817£	5,079
Depreciation charged during year	£ 1,137£	4,422
Net book value:		
At 31st March 1992	£ 20,928£	32,913
At 31st March 1991	£ 22,066£	37,335

8. FIXED ASSET INVESTMENTS

	£
Cost:	
At 1st April 1991 and	
At 31st March 1992	£ 56
	<hr/>

The company owns 100% of the issued share capital of G.S. Sheldon Ltd an unlisted company incorporated in England, whose assets were transferred to The Document Storage Company Limited on 1st January 1989.

**THE DOCUMENT STORAGE COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED YEAR ENDED 31ST MARCH 1992**

<b>9. STOCKS</b>	<u>1992</u>	<u>1991</u>
	£	£
Work in progress	4,870	6,000
Stock of packing goods	15,625	11,625
	<u>£ 20,495</u>	<u>£ 17,625</u>
 <b>10. DEBTORS</b>	 <u>1992</u>	 <u>1991</u>
	 £	 £
Trade debtors	92,303	90,630
Other debtors	28,495	18,077
Prepayments	18,582	12,657
	<u>£139,380</u>	<u>£121,364</u>
 <b>11. CREDITORS - amounts falling due within one year</b>	 <u>1992</u>	 <u>1991</u>
	 £	 £
Bank loans	27,204	47,465
Bank overdraft	19,641	97,298
Obligations under finance leases (note 13)	8,020	15,602
Obligations under hire purchase contracts (note 13)	8,132	5,078
Trade creditors	41,339	28,475
Corporation tax	9,500	-
Other taxes and social security costs	33,238	28,173
Directors' current accounts	2,525	17,232
Other creditors	60,037	92,155
Accruals	28,997	19,550
	<u>£238,633</u>	<u>£351,028</u>

Bank loans of £97,885 and £133,816 bear fixed interest at 12.5% and 14.5% and are secured by a first charge on the company's freehold property.

The remaining loans and overdraft are secured by joint and several guarantees by the directors and bear interest at fixed rates of 13% and 17% and variable rates at 3% over base rate.

<b>12. CREDITORS - amounts falling due after more than one year</b>	<u>1992</u>	<u>1991</u>
	£	£
Bank loans	369,070	285,925
Obligations under hire purchase contracts (note 13)	20,800	10,109
	<u>£389,870</u>	<u>£296,034</u>

**THE DOCUMENT STORAGE COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED YEAR ENDED 31ST MARCH 1992**

**13. OBLIGATIONS UNDER FINANCE LEASES  
AND HIRE PURCHASE CONTRACTS**

	<u>1992</u>		<u>1991</u>	
	<u>Finance leases</u>	<u>Hire purchase contracts</u>	<u>Finance leases</u>	<u>Hire purchase contracts</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Within one year	9,972	10,958	9,534	7,145
Between one and five years	-	28,003	9,533	14,782
	<u>9,972</u>	<u>38,961</u>	<u>19,067</u>	<u>21,927</u>
Less: Finance charges allocated to future periods	1,952	10,029	3,465	6,739
	<u>£ 8,020</u>	<u>£ 28,932</u>	<u>£ 15,602</u>	<u>£ 15,187</u>
Shown in note 11	8,020	8,132	15,602	5,078
Shown in note 12	-	20,800	-	10,109
Total	<u>£ 8,020</u>	<u>£ 28,932</u>	<u>£ 15,602</u>	<u>£ 15,187</u>

**14. OBLIGATIONS UNDER OPERATING LEASES  
LAND AND BUILDINGS**

	<u>1992</u>	<u>1991</u>
	<u>£</u>	<u>£</u>
Amounts payable within one year on leases expiring:		
Within one year	5,612	11,418
Between one and five years	-	9,860
Over five years	43,750	61,250
	<u>£ 49,362</u>	<u>£ 82,528</u>

All leases of land and buildings are subject to rent reviews.

**15. SHARE CAPITAL**

	<u>Authorised</u>		<u>Allotted, called up and fully paid</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	<u>No.</u>	<u>No.</u>	<u>£</u>	<u>£</u>
Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>	<u>£ 15</u>	<u>£ 15</u>

THE DOCUMENT STORAGE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED YEAR ENDED 31ST MARCH 1992

16.	SHARE PREMIUM	<u>1992</u> £	<u>1991</u> £
	At 1st April 1991	49,940	49,940
	At 31st March 1992	<u>£ 49,940</u>	<u>£ 49,940</u>

The share premium arose on the issue of shares in respect of the acquisition of G.S. Sheldon Limited.

17.	REVALUATION RESERVE	<u>1992</u> £	<u>1991</u> £
	At 1st April 1991 and At 31st March 1992	£526,558	£526,558

The revaluation of the freehold property was based upon a report by Robert Holmes & Co, Chartered Surveyors, in 1989.

18. CONTINGENT GAINS

There have been continuing negotiations with the insurance company with regard to expenses incurred and losses suffered. It is expected that these negotiations will be completed shortly and will result in a gain being included in the financial statements for the year ended 31st March 1993.