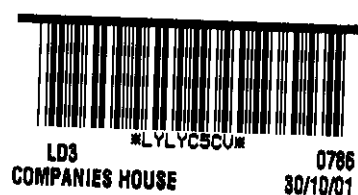

ADPLATES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2000



ADPLATES LIMITED

COMPANY INFORMATION

DIRECTORS

V J Tickel
M E Gill
M Hearn
S Parish
J Stratford

SECRETARY

M E Gill

COMPANY NUMBER

2299109

REGISTERED OFFICE

29 Clerkenwell Road
London
EC1M 5TA

AUDITORS

Saltrick & Saltrick
Chartered Accountants & Registered Auditor
2 Lions Gate
33/39 High Street
Fordingbridge
Hampshire, SP6 1AX

ADPLATES LIMITED

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DIRECTORS' REPORT
For the year ended 31 December 2000

The directors present their report and the financial statements for the year ended 31 December 2000.

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company's principal activity continues to be that of pre-press services and electronic image manipulation.

The company continued its principal activities throughout the year, achieving an improvement in the level of trade. The directors expect this to continue for the foreseeable future.

RESULTS AND DIVIDENDS

The profit for the year after taxation, amounted to £981,566 (1999 - £606,284) .

During the year the company paid dividends of £662,063 (1999 - £Nil) in respect of the year, with a further £130,000 proposed (1999 - £Nil).

DIRECTORS

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

	Ordinary shares of £1.00 each	
	<u>31/12/00</u>	<u>1/1/00</u>
V J Tickel	-	-
M E Gill	-	-
M Hearn	200	200
S Parish	400	400
J Stratford	200	200

In addition to the above, Messrs Tickel, Gill and Stroud hold 400 (1999 - 400) shares on behalf of the company's management which include the above directors.

DIRECTORS' REPORT
For the year ended 31 December 2000

The beneficial interests of the directors in the issued share capital of the parent company were as follows:

	Ordinary shares of £1.00 each	
	<u>31/12/00</u>	<u>1/1/00</u>
V J Tickel	11,246	11,789
M E Gill	7,945	8,222
M Hearn	-	-
S Parish	4,642	4,642
J Stratford	-	-

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made charitable donations of £600 (1999 - £500).

AUDITORS

The auditors, Saltrick & Saltrick, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 29/10/01 and signed on its behalf.

M E Gill
Director



AUDITORS' REPORT TO THE SHAREHOLDERS OF ADPLATES LIMITED

We have audited the financial statements on pages 4 to 18 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

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 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 the company's affairs as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Saltrick & Saltrick

Chartered Accountants
Registered Auditor
2 Lions Gate
33/39 High Street
Fordingbridge
Hampshire, SP6 1AX

Date: 20/10/2001

ADPLATES LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2000

	Note	2000 £	1999 £
TURNOVER	1, 2	12,831,688	10,493,376
Cost of sales		<u>(5,803,174)</u>	<u>(4,451,504)</u>
GROSS PROFIT		7,028,514	6,041,872
Selling and distribution costs		(1,812,256)	(1,737,989)
Administrative expenses		(3,962,134)	(3,240,584)
Other operating income	3	<u>382,100</u>	<u>102,600</u>
OPERATING PROFIT	4	1,636,224	1,165,899
Income from other investments		278	403
Interest receivable		4,016	-
Interest payable	7	<u>(187,157)</u>	<u>(150,214)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,453,361	1,016,088
TAX ON PROFIT ON ORDINARY ACTIVITIES	8	<u>(471,795)</u>	<u>(409,804)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		981,566	606,284
DIVIDENDS	9	<u>(813,605)</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR		<u>£ 167,961</u>	<u>£ 606,284</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2000 or 1999 other than those included in the profit and loss account.

The notes on pages 7 to 18 form part of these financial statements.

ADPLATES LIMITED

BALANCE SHEET
As at 31 December 2000

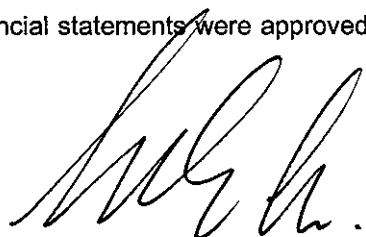
	Note	£	2000	£	£	1999	£
FIXED ASSETS							
Tangible fixed assets	10			2,306,728			2,266,258
Investments	11			20,000			-
CURRENT ASSETS							
Stocks	12		62,750			41,250	
Debtors	13		4,038,568			2,518,764	
Investments	14		1,000			1,000	
Cash at bank and in hand			14,904			161,025	
				<u>4,117,222</u>		<u>2,722,039</u>	
CREDITORS: amounts falling due within one year	15		(3,378,246)			(2,795,090)	
NET CURRENT ASSETS/(LIABILITIES)				<u>738,976</u>			<u>(73,051)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>3,065,704</u>			<u>2,193,207</u>
CREDITORS: amounts falling due after more than one year	16			(2,114,320)			(1,409,784)
NET ASSETS				<u>£ 951,384</u>			<u>£ 783,423</u>
CAPITAL AND RESERVES							
Called up share capital	17			10,000			10,000
Capital redemption reserve				500			500
Profit and loss account	18			940,884			772,923
SHAREHOLDERS' FUNDS - All Equity	19			<u>£ 951,384</u>			<u>£ 783,423</u>

The financial statements were approved by the board on behalf.

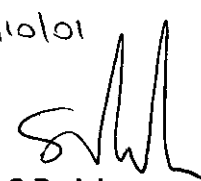
29/10/01

and signed on its

M E Gill
Director



S Parish
Director



The notes on pages 7 to 18 form part of these financial statements.

ADPLATES LIMITED

CASH FLOW STATEMENT
For the year ended 31 December 2000

	Note	2000 £	1999 £
Net cash flow from operating activities	20	1,771,101	1,338,488
Returns on investments and servicing of finance	21	(182,863)	(149,810)
Taxation		(324,377)	(180,714)
Capital expenditure and financial investment	21	(268,896)	(208,960)
Equity dividends paid		(662,063)	-
CASH INFLOW BEFORE FINANCING		332,902	799,004
Financing	21	(574,164)	(535,127)
(DECREASE)/INCREASE IN CASH IN THE PERIOD		£ (241,262)	£ 263,877

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 22)
For the year ended 31 December 2000

	2000 £	1999 £
(Decrease)/Increase in cash in the period	(241,262)	263,877
Cash inflow from increase in debt and financing leasing	574,164	535,627
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	332,902	799,504
New finance leases	(828,123)	(845,946)
MOVEMENT IN NET DEBT IN THE PERIOD	(495,221)	(46,442)
Net debt at 1 January 2000	(786,126)	(739,684)
NET DEBT AT 31 DECEMBER 2000	£ (1,281,347)	£ (786,126)

The notes on pages 7 to 18 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and include the results of the company's operations which are described in the Directors' Report.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	Over 5 years
Motor vehicles	-	Over 5 years
Fixtures and fittings	-	Over 7 years
Improvements to property	-	Over 15 years

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant charge on the net obligation outstanding in each period.

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

1.6 Stocks and work in progress

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 stocks.

1.7 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. Scheme assets are held separately from those of the company in independently administered funds.

2. TURNOVER

The whole of the turnover is attributable to the one principal activity of the company, being pre-press services and electronic image manipulation.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

A geographical analysis of turnover is as follows:

	2000 £	1999 £
United Kingdom	10,903,853	9,786,202
Rest of European Union	1,438,463	600,986
Rest of World	489,372	106,188
	<u>£12,831,688</u>	<u>£10,493,376</u>

3. OTHER OPERATING INCOME

	2000 £	1999 £
Other operating income	382,100	102,600
	<u>£ 382,100</u>	<u>£ 102,600</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2000 £	1999 £
Depreciation of tangible fixed assets:		
- owned by the company	608,328	445,464
- held under finance leases and hire purchase contracts	325,325	148,074
Auditors' remuneration	21,000	21,000
Operating lease rentals:		
- plant and machinery	201,439	219,466
- other operating leases	195,000	195,000
	<u> </u>	<u> </u>

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2000 £	1999 £
Wages and salaries	4,857,052	4,239,342
Social security costs	533,047	456,514
Other pension costs - defined contribution scheme	71,237	49,316
	<u>£ 5,461,336</u>	<u>£ 4,745,172</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

Included within wages and salaries are benefits in kind provided to directors with a monetary value of £60,796 (1999 - £37,361).

The average monthly number of employees, including directors, during the year was as follows:

	2000	1999
Production	71	72
Sales, distribution and administration	77	48
	<u>148</u>	<u>120</u>

6. DIRECTORS' REMUNERATION

	2000 £	1999 £
Emoluments	£ 641,241	£ 653,781
Company pension contributions to money purchase pension schemes	£ 12,551	£ 20,781

During the year retirement benefits were accruing to 3 directors (1999 - 3) in respect of money purchase pension schemes.

Included in the above are emoluments, excluding pension contributions, received by the highest paid director of £208,254 (1999 - £211,443). During the year the company made payments of £Nil (1999 - £Nil) to a defined contribution pension scheme on behalf of this director.

7. INTEREST PAYABLE

	2000 £	1999 £
On bank loans and overdrafts	35,926	5,779
On other loans	47,119	63,923
On finance leases and hire purchase contracts	104,112	80,512
	<u>£ 187,157</u>	<u>£ 150,214</u>

8. TAXATION

	2000 £	1999 £
UK corporation tax		
Current tax on income for the period at 30% (1999 - 30%)	465,198	407,272
Adjustments in respect of prior periods - corporation tax	6,597	2,532
	<u>£ 471,795</u>	<u>£ 409,804</u>

If provision had been made for deferred taxation on the basis of the full potential liability, the taxation charge would have increased by £Nil (1999 - £93,173) as follows:

Accelerated capital allowances	£ -	£ 93,173
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

9. DIVIDENDS

	2000 £	1999 £
On equity shares		
Total dividends paid	662,063	-
Total dividends proposed	151,542	-
	<u>£ 813,605</u>	<u>£ -</u>

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Furniture, fittings and equipment £	Improvements to property £	Total £
Cost					
At 1 January 2000	5,973,055	697,138	505,069	350,523	7,525,785
Additions	647,564	237,414	134,503	143,294	1,162,775
Disposals	(391,185)	(114,898)	-	-	(506,083)
At 31 December 2000	<u>6,229,434</u>	<u>819,654</u>	<u>639,572</u>	<u>493,817</u>	<u>8,182,477</u>
Depreciation					
At 1 January 2000	4,533,363	196,056	403,415	126,693	5,259,527
Charge for the year	708,211	143,841	31,745	49,856	933,653
On disposals	(243,090)	(74,341)	-	-	(317,431)
At 31 December 2000	<u>4,998,484</u>	<u>265,556</u>	<u>435,160</u>	<u>176,549</u>	<u>5,875,749</u>
Net book value					
At 31 December 2000	<u>£ 1,230,950</u>	<u>£ 554,098</u>	<u>£ 204,412</u>	<u>£ 317,268</u>	<u>£ 2,306,728</u>
At 31 December 1999	<u>£ 1,439,692</u>	<u>£ 501,082</u>	<u>£ 101,654</u>	<u>£ 223,830</u>	<u>£ 2,266,258</u>

During the year, the estimated useful economic life of plant and machinery was decreased from 7-10 years to 5 years. The effect has been to increase the depreciation charge by £216,572.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2000 £	1999 £
Land and buildings	109,200	-
Plant and machinery	776,814	644,625
Motor vehicles	532,629	478,994
	<u>£ 1,418,643</u>	<u>£ 1,123,619</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

11. FIXED ASSET INVESTMENTS

	Unlisted invest- ments £
Cost	
Additions	20,000
At 31 December 2000	<u>20,000</u>
Net book value	
At 31 December 2000	<u>20,000</u>
At 31 December 1999	<u>-</u>

12. STOCKS

	2000 £	1999 £
Raw materials	-	12,375
Work in progress	62,750	28,875
	<u>£ 62,750</u>	<u>£ 41,250</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

13. DEBTORS

	2000 £	1999 £
Due within one year		
Trade debtors	2,161,223	2,075,985
Amounts owed by group undertakings	1,761,880	309,118
Other debtors	59,357	76,984
Prepayments and accrued income	56,108	56,677
	<u>£ 4,038,568</u>	<u>£ 2,518,764</u>

Included within other debtors due within one year are loans of £8,000 (1999 - £14,000) due from S Parish and £Nil (1999 - £2,952) from M Gill, directors of the company. The maximum amounts outstanding during the year were £14,000 (1999 - £16,000) and £2,952 (1999 - £2,952) respectively.

14. CURRENT ASSET INVESTMENTS

	2000 £	1999 £
Other investments	<u>£ 1,000</u>	<u>£ 1,000</u>

Investments comprise short term investments in shares in companies which are traded on a recognised stock exchange. The market value of these investments as at 31 December 2000 was £6,025 (1999 - £6,637).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

15. CREDITORS:
Amounts falling due within one year

	2000	1999
	£	£
Bank loan and overdraft	95,141	32,108
Net obligations under finance leases and hire purchase contracts	593,542	398,876
Trade creditors	708,282	698,572
Amounts owed to group undertakings	447,921	221,333
Corporation tax	698,852	551,434
Social security and other taxes	537,435	446,696
Proposed dividend	151,542	-
Other creditors	10,146	78,002
Accruals and deferred income	135,385	368,069
	<u>£ 3,378,246</u>	<u>£ 2,795,090</u>

The bank loan and overdraft are secured by a standard bank debenture and cross guarantee between Adplates Limited, Adplates Group Limited, Optikos Laboratories Limited and Tag Creative Limited. Net obligations under finance lease and hire purchase contracts are secured over the assets to which they relate.

Included within trade creditors is a debtor of £8,474 (1999 - £Nil) owed by V J Tickel, a director of the company. The maximum amount outstanding during the year was £8,474 (1999 - £Nil).

16. CREDITORS:
Amounts falling due after more than one year

	2000	1999
	£	£
Bank loan	-	42,264
Net obligations under finance leases and hire purchase contracts	608,567	474,902
Amounts owed to group undertakings	990,975	495,305
Other creditors	514,778	397,313
	<u>£ 2,114,320</u>	<u>£ 1,409,784</u>

Included within the above are amounts falling due as follows:

	2000	1999
	£	£
Between one and two years		
Bank loan	-	42,264
	<u> </u>	<u> </u>

The bank loan is secured by a standard bank debenture. Net obligations under finance leases and hire purchase contracts are secured over the assets to which they relate.

Net obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2000	1999
	£	£
Between two and five years	<u>£ 608,567</u>	<u>£ 474,902</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

17. SHARE CAPITAL

	2000 £	1999 £
Authorised, allotted, called up and fully paid		
10,000 Ordinary shares of £1.00 each	£ 10,000	£ 10,000

18. RESERVES

Profit and loss account	£
At 1 January 2000	772,923
Profit retained for the year	167,961
	<u> </u>
At 31 December 2000	£ 940,884

19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
Profit for the year	981,566	606,284
Dividends	(813,605)	-
	<u>167,961</u>	<u>606,284</u>
Shares issued during year	-	500
	<u>167,961</u>	<u>606,784</u>
Opening shareholders' funds	783,423	176,639
Closing shareholders' funds	£ 951,384	£ 783,423

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2000 £	1999 £
Operating profit	1,636,224	1,165,899
Depreciation of tangible fixed assets	933,653	593,538
Loss on disposal of tangible fixed assets	102,897	40,076
(Increase)/decrease in stocks	(21,500)	1,135
Increase in debtors	(1,519,802)	(511,047)
Increase in creditors	639,629	48,887
	<u> </u>	<u> </u>
NET CASH INFLOW FROM OPERATIONS	£ 1,771,101	£ 1,338,488

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2000 £	1999 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	4,016	-
Interest paid	(83,045)	(69,701)
Hire purchase interest	(104,112)	(80,512)
Dividends received	278	403
	<u> </u>	<u> </u>
NET CASH OUTFLOW FOR RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	£ (182,863)	£ (149,810)
	<u> </u>	<u> </u>
	2000 £	1999 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(334,652)	(257,210)
Sale of tangible fixed assets	85,756	48,250
Purchase of unlisted investments	(20,000)	-
	<u> </u>	<u> </u>
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	£ (268,896)	£ (208,960)
	<u> </u>	<u> </u>
	2000 £	1999 £
FINANCING		
Issue of ordinary shares	-	500
Repayment of loans	(74,372)	(29,596)
Principal payment under finance lease	(499,792)	(506,031)
	<u> </u>	<u> </u>
NET CASH OUTFLOW FROM FINANCING	£ (574,164)	£ (535,127)
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

22. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2000 £	Cash flow £	Other non-cash changes £	31 December 2000 £
Cash at bank and in hand:	161,025	(146,121)	-	14,904
Bank overdraft	-	(95,141)	-	(95,141)
	<u>161,025</u>	<u>(241,262)</u>	<u>-</u>	<u>(80,237)</u>
LIQUID RESOURCES :				
Current asset investments	1,000	-	-	1,000
DEBT :				
Debts due within one year	(430,985)	574,164	(736,722)	(593,543)
Debts falling due after more than one year	(517,166)	-	(91,401)	(608,567)
	<u>(948,151)</u>	<u>574,164</u>	<u>(828,123)</u>	<u>(1,281,347)</u>
NET DEBT	£ (786,126)	£ 332,902	£ (828,123)	£ (1,281,347)

23. PENSION COMMITMENTS

The company has a defined contribution scheme for some of its directors and former directors. The company is under no obligation to make contributions to the scheme. The company also makes pension scheme payments for certain of its employees on a defined contribution basis.

24. OPERATING LEASE COMMITMENTS

At 31 December 2000 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2000 £	1999 £	2000 £	1999 £
Expiry date:				
Within 1 year	28,667	-	854	30,742
Between 2 and 5 years	-	-	23,462	45,236
After more than 5 years	195,000	195,000	-	-
	<u>223,667</u>	<u>195,000</u>	<u>24,316</u>	<u>75,978</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2000

25. RELATED PARTY TRANSACTIONS

During the year the company traded with fellow subsidiaries of Adplates Group Limited.

The following amounts were due to the company from the holding company and fellow subsidiaries:

	2000	1999
	£	£
Trading balances		
Optikos Laboratories Limited	1,818	54,960
Turning Point Technologies Limited	163,308	72,254
Blue Tag Limited	129,878	25,860
Transcolour (Scotland) Limited	-	290
Zeal Creative Services Limited	-	35,761
Tag Creative Limited	110,848	-
Tag At Comma Limited	294,067	-
Tag Worldwide Sweden AB	72,968	-
Non-trading balances		
Adplates Group Limited	248,063	-
Tag Creative Limited	432,779	-
Tag At Comma Limited	12,003	-
Blue Tag Limited	396,270	50,000
Transcolour (Scotland) Limited	107,488	70,000
Zeal Creative Services Limited	141,305	23,000

The balances outstanding from Zeal Creative Services Limited were fully provided against at the year end.

The following amounts were due by the company to the holding company and fellow subsidiaries:

	2000	1999
	£	£
Trading balances		
Tag Creative Limited	6,635	-
Tag At Comma Limited	7,720	-
Tag Worldwide Sweden AB	32,685	-
Optikos Laboratories Limited	-	78,680
Turning Point Technologies Limited	104,571	71,641
Blue Tag Limited	15,370	41,361
Transcolour (Scotland) Limited	26,056	6,756

NOTES TO THE FINANCIAL STATEMENTS
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	2000	1999
	£	£
Non-trading loan		
Optikos Laboratories Limited	106,790	106,790
Turning Point Technologies Limited	-	10,000
Transcolour (Scotland) Limited	3,373	3,373
Adplates Group Limited	843,190	347,520

The following amount was due to the pension fund:

	2000	1999
	£	£
<i>Adplates Pension Fund</i>	762,836	397,313

During the year, the following transactions took place with fellow subsidiaries:

	SALES		PURCHASES	
	2000	1999	2000	1999
	£	£	£	£
Optikos Laboratories Limited	53,910	250,569	53,295	198,197
Turning Point Technologies Limited	233,638	138,134	1,131,751	609,925
Blue Tag Limited	85,224	55,648	29,087	40,896
Transcolour (Scotland) Limited	7,681	-	76,138	75,922
Tag Creative Services Limited	496,798	-	32,614	-
Tag At Comma Limited	760,198	-	6,570	-
Tag Worldwide Sweden AB	-	-	32,685	-

In addition to the above transactions, Adplates Limited received management fees from Tag At Comma Limited totalling £230,000 (1999 - Nil); Optikos Limited £6,750 (1999 - £27,000); Tag Creative Limited £69,750 (1999 - Nil); and Turning Point Technologies Limited £75,000 (1999 - 75,000).

During the year, the company made sales to Highstar Technology Limited of £2,556 (1999 - £2,706) and purchases from the company of £52,598 (1999 - £21,732). Highstar Technology Limited is a company in which V J Tickel and M E Gill are directors.

During the year the company paid rent of £150,000 (1999 - £150,000) to VMM Limited, a company in which V J Tickel, M E Gill and M J Stroud are directors.

The company continues to provide a guarantee to the bankers of Blue Tag Limited, a fellow subsidiary, to the value of £100,000 (1999 - £100,000).

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26. CONTINGENT LIABILITIES

At the balance sheet date the company has contingent liabilities in respect of unlimited bank guarantees in respect of other group companies. The amount covered by these guarantees at the year end is £410,395 (1999 - £Nil). Subject to these, the company did not have any contingent liabilities of a material amount at the balance sheet date that have not been provided for in these accounts.

27. PARENT COMPANY

The parent and ultimate parent company is Adplates Group Limited, a company incorporated in England and Wales.

28. CONTROLLING PARTY

The company is not ultimately controlled by any one person.