

Company Registration No. 2511140 (England and Wales)

**RIGHT DOCUMENT SOLUTIONS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2001**



# RIGHT DOCUMENT SOLUTIONS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Paul Gillett David Wallbridge Nicholas Jones
<b>Secretary</b>	David Wallbridge
<b>Company number</b>	2511140
<b>Registered office</b>	29 Ludgate Hill London EC4M 7JE
<b>Auditors</b>	Winters 29 Ludgate Hill London EC4M 7JE
<b>Business address</b>	89 Worship Street London EC2A 2BE
<b>Bankers</b>	National Westminster Bank Plc Peckham Branch PO Box 3753 65 Peckham High Street London SE15 5RZ

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# RIGHT DOCUMENT SOLUTIONS LIMITED

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# RIGHT DOCUMENT SOLUTIONS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2001

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The directors present their report and financial statements for the year ended 30 June 2001.

### Principal activities and review of the business

The company's principal activity is the provision of total document solutions, incorporating the sale and support of copiers, copier/printers, facsimile and other office systems.

The directors are pleased with the growth in the business during the year and are confident that the company will sustain the level of activity during the next financial year.

### Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £5,000. The directors do not recommend payment of a final dividend.

### Market value of land and buildings

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

### Directors

The following directors have held office since 1 July 2000:

Paul Gillett  
David Wallbridge  
Nicholas Jones

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 June 2001	1 July 2000
Paul Gillett	25,000	25,000
David Wallbridge	25,000	25,000
Nicholas Jones	-	-

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Winters be reappointed as auditors of the company will be put to the Annual General Meeting.

# **RIGHT DOCUMENT SOLUTIONS LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001**

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### **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;
- 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.

On behalf of the board



David Wallbridge

**Director**

22 March 2002

# RIGHT DOCUMENT SOLUTIONS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RIGHT DOCUMENT SOLUTIONS LIMITED

We have audited the financial statements of Right Document Solutions Limited on pages 4 to 15 for the year ended 30 June 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

### Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

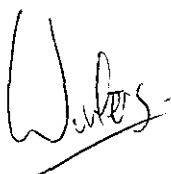
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 30 June 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Winters



Chartered Accountants  
Registered Auditor

22 March 2002

29 Ludgate Hill  
London  
EC4M 7JE

# RIGHT DOCUMENT SOLUTIONS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2001

	Notes	2001 £	2000 £
Turnover	2	7,546,279	4,221,370
Cost of sales		(4,464,863)	(2,414,152)
<b>Gross profit</b>		<b>3,081,416</b>	<b>1,807,218</b>
Administrative expenses		(2,817,389)	(1,505,702)
<b>Operating profit</b>	3	<b>264,027</b>	<b>301,516</b>
Other interest receivable and similar income		39,328	2,642
Interest payable and similar charges	4	(1,802)	(3,007)
<b>Profit on ordinary activities before taxation</b>		<b>301,553</b>	<b>301,151</b>
Tax on profit on ordinary activities	5	(57,932)	(59,989)
<b>Profit on ordinary activities after taxation</b>		<b>243,621</b>	<b>241,162</b>
Dividends	6	(5,000)	(152,000)
<b>Retained profit for the year</b>	16	<b>238,621</b>	<b>89,162</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

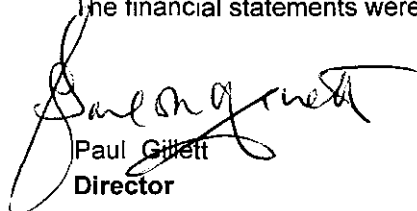
There are no recognised gains and losses other than those passing through the profit and loss account.

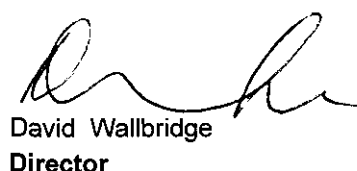
# RIGHT DOCUMENT SOLUTIONS LIMITED

## BALANCE SHEET AS AT 30 JUNE 2001

	Notes	2001 £	£	2000 £	£
<b>Fixed assets</b>					
Intangible assets	7		47,222		-
Tangible assets	8		97,108		84,502
			<u>144,330</u>		<u>84,502</u>
<b>Current assets</b>					
Stocks	9	261,537		156,576	
Debtors	10	1,013,462		1,208,386	
Cash at bank and in hand		613,149		215,371	
		<u>1,888,148</u>		<u>1,580,333</u>	
<b>Creditors: amounts falling due within one year</b>	11	(1,365,162)		(1,231,442)	
<b>Net current assets</b>			<u>522,986</u>		<u>348,891</u>
<b>Total assets less current liabilities</b>			<u>667,316</u>		<u>433,393</u>
<b>Creditors: amounts falling due after more than one year</b>	12		(5,575)		(10,273)
			<u>661,741</u>		<u>423,120</u>
<b>Capital and reserves</b>					
Called up share capital	15		50,000		50,000
Profit and loss account	16		611,741		373,120
<b>Shareholders' funds - equity interests</b>	17		<u>661,741</u>		<u>423,120</u>

The financial statements were approved by the Board on 22 March 2002

  
Paul Gillett  
Director

  
David Wallbridge  
Director



# RIGHT DOCUMENT SOLUTIONS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2001

	2001 £	2000 £
<b>Net cash inflow from operating activities</b>	526,615	150,920
<b>Returns on investments and servicing of finance</b>		
Interest received	39,328	2,642
Interest paid	(1,802)	(3,007)
<b>Net cash inflow/(outflow) for returns on investments and servicing of finance</b>	37,526	(365)
<b>Taxation</b>	(57,932)	(47,530)
<b>Capital expenditure</b>		
Payments to acquire intangible assets	(50,000)	-
Payments to acquire tangible assets	(48,590)	(29,361)
<b>Net cash outflow for capital expenditure</b>	(98,590)	(29,361)
<b>Equity dividends paid</b>	(5,000)	(152,000)
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>	402,619	(78,336)
<b>Financing</b>		
Capital element of hire purchase contracts	(4,841)	(19,199)
<b>Net cash outflow from financing</b>	(4,841)	(19,199)
<b>Increase/(decrease) in cash in the year</b>	397,778	(97,535)
Difference between opening & closing bank balances	397,778	(97,535)

# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2001

1	Reconciliation of operating profit to net cash inflow from operating activities	2001	2000
		£	£
	Operating profit	264,027	301,516
	Depreciation of tangible assets	34,932	25,417
	Amortisation of intangible assets	2,778	-
	Loss on disposal of tangible assets	1,052	-
	Increase in stocks	(104,961)	(1,052)
	Decrease/(increase) in debtors	194,924	(491,194)
	Increase in creditors within one year	133,863	316,233
	<b>Net cash inflow from operating activities</b>	<b>526,615</b>	<b>150,920</b>

2	Analysis of net funds	1 July 2000	Cash flow	Other non-cash changes	30 June 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	215,371	397,778	-	613,149
	Debt:				
	Finance leases	(24,407)	4,841	-	(19,566)
	Net funds	190,964	402,619	-	593,583

3	Reconciliation of net cash flow to movement in net funds	2001	2000
		£	£
	Increase/(decrease) in cash in the year	397,778	(97,535)
	Cash outflow from decrease in debt and lease financing	4,841	19,199
	<b>Movement in net funds in the year</b>	<b>402,619</b>	<b>(78,336)</b>
	Opening net funds	190,964	269,300
	<b>Closing net funds</b>	<b>593,583</b>	<b>190,964</b>

# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### 1.4 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 less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	25% reducing balance; 50% reducing balance on computer equipment
Motor vehicles	25% reducing balance

#### 1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 periodic rate of charge on the net obligation outstanding in each period.

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

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

#### 1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences 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 foreseeable future.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

<b>3</b>	<b>Operating profit</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging:		
	Amortisation of intangible assets	2,778	-
	Depreciation of tangible assets	34,932	25,417
	Operating lease rentals	104,554	107,478
	Auditors' remuneration	5,000	5,000
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Interest payable</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	-	27
	Hire purchase interest	1,802	2,921
	On overdue tax	-	59
		<u>          </u>	<u>          </u>
		1,802	3,007
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Taxation</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year taxation</b>		
	U.K. corporation tax	60,000	60,000
	Adjustment for prior years	(2,068)	(11)
		<u>          </u>	<u>          </u>
		57,932	59,989
		<u>          </u>	<u>          </u>
<b>6</b>	<b>Dividends</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Ordinary paid	5,000	152,000
		<u>          </u>	<u>          </u>

# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

### 7 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 July 2000	-
Additions	50,000
	<hr/>
At 30 June 2001	50,000
	<hr/>
<b>Amortisation</b>	
At 1 July 2000	-
Charge for year	2,778
	<hr/>
At 30 June 2001	2,778
	<hr/>
<b>Net book value</b>	
At 30 June 2001	47,222
	<hr/> <hr/>

# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

### 8 Tangible fixed assets

	Fixtures & fittings £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 July 2000	223,457	19,300	242,757
Additions	36,440	12,150	48,590
Disposals	(18,618)	-	(18,618)
At 30 June 2001	241,279	31,450	272,729
<b>Depreciation</b>			
At 1 July 2000	150,715	7,540	158,255
On disposals	(17,566)	-	(17,566)
Charge for the year	30,170	4,762	34,932
At 30 June 2001	163,319	12,302	175,621
<b>Net book value</b>			
At 30 June 2001	77,960	19,148	97,108
At 30 June 2000	72,742	11,760	84,502

Included above are assets held under finance leases or hire purchase contracts as follows:

	£	£	Total £
<b>Net book values</b>			
At 30 June 2001	19,032	19,148	38,180
At 30 June 2000	30,645	11,760	42,405
<b>Depreciation charge for the year</b>			
30 June 2001	11,613	4,762	16,375
30 June 2000	7,118	3,920	11,038

### 9 Stocks

	2001 £	2000 £
Finished goods and goods for resale	261,537	156,576

# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

10 Debtors	2001 £	2000 £
Trade debtors	678,682	994,678
Other debtors	324,166	206,218
Prepayments and accrued income	10,614	7,490
	<u>1,013,462</u>	<u>1,208,386</u>
11 Creditors: amounts falling due within one year	2001 £	2000 £
Net obligations under hire purchase contracts	13,991	14,134
Trade creditors	615,250	437,338
Corporation tax	60,000	60,000
Other taxes and social security costs	172,749	192,129
Accruals and deferred income	503,172	527,841
	<u>1,365,162</u>	<u>1,231,442</u>
12 Creditors: amounts falling due after more than one year	2001 £	2000 £
Net obligations under hire purchase contracts	<u>5,575</u>	<u>10,273</u>
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	13,991	14,134
Repayable between one and five years	5,575	10,273
	<u>19,566</u>	<u>24,407</u>
Included in liabilities falling due within one year	(13,991)	(14,134)
	<u>5,575</u>	<u>10,273</u>

### 13 Provisions for liabilities and charges

Deferred taxation provided in the financial statements and the amounts not provided are as follows:

	2001 £	Not provided 2000 £	2001 £	Provided 2000 £
Accelerated capital allowances	<u>9,000</u>	<u>5,900</u>	<u>-</u>	<u>-</u>

# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

### 14 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company amounted to £46,296 (2000: £46,296). All contributions were paid in the year.

15 Share capital	2001 £	2000 £
<b>Authorised</b>		
50,000 Ordinary shares of £ 1 each	50,000	50,000
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
50,000 Ordinary shares of £ 1 each	50,000	50,000
	<u>          </u>	<u>          </u>

### 16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2000	373,120
Retained profit for the year	238,621
	<u>          </u>
Balance at 30 June 2001	611,741
	<u>          </u>

17 Reconciliation of movements in shareholders' funds	2001 £	2000 £
Profit for the financial year	243,621	241,162
Dividends	(5,000)	(152,000)
	<u>          </u>	<u>          </u>
Net addition to shareholders' funds	238,621	89,162
Opening shareholders' funds	423,120	333,958
	<u>          </u>	<u>          </u>
Closing shareholders' funds	661,741	423,120
	<u>          </u>	<u>          </u>



# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

### 18 Financial commitments

At 30 June 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			
	2001	2000	2001	Other 2000
	£	£	£	£
Expiry date:				
Within one year	81,584	-	-	-
Between two and five years	15,500	81,584	32,952	15,000
	<u>97,084</u>	<u>81,584</u>	<u>32,952</u>	<u>15,000</u>

### 19 Directors' emoluments

	2001 £	2000 £
Emoluments for qualifying services	1,173,791	276,604
Company pension contributions to money purchase schemes	46,296	46,296
	<u>1,220,087</u>	<u>322,900</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2000 - 2).

# RIGHT DOCUMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

### 20 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2001 Number	2000 Number
Sales	8	7
Service	26	24
Administration	5	4
	<u>39</u>	<u>35</u>

#### Employment costs

	£	£
Wages and salaries	2,112,701	1,025,731
Social security costs	232,632	106,664
Other pension costs	46,296	46,296
	<u>2,391,629</u>	<u>1,178,691</u>