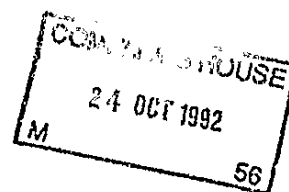
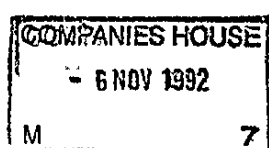


Stat-Plus Limited
Report and Financial Statements
31st December 1991



Registered in England No. 2595313



DIRECTORS' REPORT

The directors submit their report and audited financial statements for the period from incorporation to 31st December 1991. The company was incorporated on 26th March 1991 as Justpulse Limited. On the 14th November 1991 it changed its name to Stat-Plus Limited.

RESULTS AND DIVIDENDS

The trading profit for the period, after taxation, amounted to £618,405.

The directors do not recommend the payment of a final dividend. The retained profit for the period has been taken to reserves.

REVIEW OF THE BUSINESS

The company was dormant until 1st November 1991.

With effect from 1st November 1991 the trade, assets and liabilities (including goodwill) of a fellow subsidiary undertaking were transferred to the company at book value.

The company's principal activities after the transfer of business were those of retailers of office stationery, law stationery, law forms and printing.

During the period the company issued 1,498 ordinary shares of £1 to increase its equity base.

FIXED ASSETS

The changes in the fixed assets during the period are summarised in the notes to the accounts.

FUTURE DEVELOPMENTS

The company will develop and expand its principal activities.

DIRECTORS AND THEIR INTERESTS

The directors during the period and at 31st December 1991 were as follows:

D C Bird	(appointed 8th November 1991)
D A W Naish	(appointed 14th November 1991)
R N Arnold	(appointed 8th November 1991)
M A Denning	(appointed 14th November 1991)
B Sutton	(appointed 14th November 1991)
D Nemestothy	(appointed 14th November 1991)
Instant Companies Ltd	(resigned 8th November 1991)

DIRECTORS' REPORT (continued)

No director held any interest in the issued shares of the company during the period other than Instant Companies Limited and these interests have not changed since 31st December 1991. Instant Companies Limited was the founding director having one £1 ordinary share in the company which was sold during the period.


The following directors, excluding those who are also directors of the holding company, held the following interests in the share capital of the holding company, Stat-Plus Group PLC:

	Options	
	31st December 1991 or date of resignation	26th March 1991 or date of appointment
D A W Naish	40,000	40,000
M A Denning	48,500	48,500
B Sutton	35,000	35,000
D Nemestothy	25,000	25,000
Instant Companies Limited	-	-

AUDITOR

Coopers & Lybrand Deloitte were appointed to fill the casual vacancy as auditor and have expressed their willingness to continue in office as auditor. From 1 June 1992 the firm will practice in the name of Coopers & Lybrand. A resolution proposing their reappointment will be submitted at the Annual General Meeting.

By order of the board

 *Chamberi*

P Gorty
Secretary
15th April 1992

REPORT OF THE AUDITOR
TO THE MEMBERS OF STAT-PLUS LIMITED

We have audited the financial statements on pages 4 to 15 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 December 1991 and of the profit and source and application of funds for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand Deloitte.

Coopers & Lybrand Deloitte
Chartered Accountants and Registered Auditor
London
15th April 1992

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 26th MARCH 1991 TO 31st DECEMBER 1991

	Note	1991 £
Turnover	2	1,873,933
Change in stocks of finished goods		329,989
		<hr/>
		2,203,922
External Charges		1,258,337
		<hr/>
		945,585
Staff costs	4	150,911
Depreciation		26,259
Other operating charges		315,402
		<hr/>
		492,572
Operating profit	3	453,013
Interest receivable	5	236,211
Interest payable	6	(197,877)
		<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		491,347
Tax on profit on ordinary activities	7	127,058
		<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		618,405
		<hr/>

The notes on pages 7 to 15 form part of these accounts.

BALANCE SHEET - 31st DECEMBER 1991

	Note	1991 £
FIXED ASSETS		
Intangible fixed assets	8	940,826
Tangible fixed assets	9	576,667
Investments	10	1
		<hr/> 1,517,494
CURRENT ASSETS		
Stocks		329,989
Debtors	11	2,689,785
Cash at bank		13,269,237
		<hr/> 16,289,011
CREDITORS - amounts falling due within one year	12	17,181,793
		<hr/>
NET CURRENT LIABILITIES		(892,782)
		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		624,712
		<hr/>
CREDITORS - amounts falling due after more than one year	13	4,807
		<hr/>
NET ASSETS		619,905
		<hr/>
CAPITAL AND RESERVES		
Called up share capital	14	1,500
Profit and loss account		618,405
		<hr/> 619,905

D C Bird)
) Director
R N Arnold)
15th April 1992

DC Bird
R N Arnold

The notes on pages 7 to 15 form part of these accounts.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE PERIOD FROM 26th MARCH 1991 TO 31st DECEMBER 1991

	1991 £
SOURCE OF FUNDS	
Profit on ordinary activities before taxation	491,347
Adjustment for items not involving the movement of funds:	
Depreciation	26,259
Profit on disposal of tangible fixed assets	(22,783)

Total funds generated from operations	494,823
FUNDS FROM OTHER SOURCES	
Proceeds from disposal of tangible fixed assets	69,458
Issue of shares	1,500

	565,781

APPLICATION OF FUNDS	
Purchase of tangible fixed assets	127,670
Purchase of tangible fixed assets from group undertaking	521,931
Purchase of intangible fixed assets	940,826
Purchase of deferred tax asset from group undertaking	102,424

	1,692,851

NET APPLICATION OF FUNDS	(1,127,070)

The net source of funds is represented by the following changes in working capital:	
Stock	329,989
Debtors	2,308,567
Creditors	(16,629,370)

	(13,990,814)

Movement in net liquid funds:	
Cash at bank and in hand	13,269,237
Uncleared banking items	(405,493)

	12,863,744

DECREASE IN WORKING CAPITAL	(1,127,070)

The notes on pages 7 to 15 form part of these accounts.

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The principle accounting policies adopted, and which have been applied consistently, are described below.

(a) Accounting convention

The accounts are prepared under the historical cost convention.

(b) Depreciation

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

Motor vehicles	over 4 years
Equipment, fixtures and fittings	over 5 years
Computer equipment	over 4 years
Leased assets	over the term of lease

Purchased goodwill is eliminated by amortisation through the profit and loss account over its useful economic life, this is estimated to be 10 years. Amortisation is not charged to the profit and loss account in the year of purchase.

(c) Stocks

Stocks, which wholly comprise finished goods, are stated at the lower of cost and net realisable value as follows:

Costs incurred in bringing each product to its present location and condition, on a first-in, first-out basis.

Net realisable value is based on estimated selling price less all further costs expected to be incurred in marketing, selling and distribution.

(d) Deferred taxation

Deferred taxation is provided for using the liability method on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

(e) Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

(f) Pension costs

The cost of providing pension benefits is charged to the profit and loss account over the period benefiting from the employee's service. The effects of material variations from regular cost are spread over the expected average remaining service lives of members.

(g) Finance and operating leases

Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Rental costs under operating leases are charged to the profit and loss account on a straight line basis over the period of the leases.

2. Turnover

Turnover attributable to the company's principle activity of stationery retailing, represents the invoiced amount of goods sold and services provided (stated net of value added tax) to customers in the United Kingdom.

3. Operating profit

	1991 £
(a) This is stated after charging or crediting:	
Directors' remuneration (see below)	31,427
Hire of assets under operating leases	12,061
Depreciation and other amounts written off tangible fixed assets:	
Own assets	21,569
Assets under finance leases and hire purchase contracts	4,690
Finance lease - interest cost	1,306
Profit on disposal of tangible fixed assets	22,783

The auditor's remuneration is borne by the holding company.

STAT-PLUS LIMITED
NOTES TO THE ACCOUNTS - 31st DECEMBER 1991

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3.	Operating profit (continued)	1991 £
(b)	Directors' remuneration Other emoluments (including pension contribution)	31,427 -----

The emoluments of the chairman, excluding pension contributions, were £nil.

The emoluments of the highest paid director, excluding pension contributions, were £7,987. Other directors' emoluments, excluding pension contributions, fell within the following ranges:

	1991 Number
£nil - £ 5,000	1
£ 5,001 - £10,000	3

The directors of Stat-Plus limited who are also directors of the ultimate parent company are remunerated by that company and their remuneration is fully disclosed in that company's financial statements.

4. Staff Costs

	1991 £
Wages and salaries	111,360
Social security costs	17,769
Other pension costs	21,782

	150,911

The average weekly number of employees, including directors, during the period was made up as follows:

	1991 Number
Office and management	14
Selling	13

	27

STAT-PLUS LIMITED
NOTES TO THE ACCOUNTS - 31st DECEMBER 1991

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5. Interest Receivable

1991
£

Bank deposit

236,211

6. Interest payable

1991
£

Parent company

197,877

7. Taxation credit on profit on ordinary activities

1991
£

United Kingdom corporation tax at 33%

Current
Deferred

134,931
(7,873)

127,058

The taxation charge has been reduced by £286,667 by reason of ACT surrendered by the ultimate parent company for which no payment has been made.

8. Intangible fixed asset

Cost:

£

At 26th March 1991

-

Additions

940,826

At 31st December 1991

940,826

8. Intangible fixed asset (continued)

The intangible asset represents goodwill arising on the transfer of the trade, assets and liabilities of a fellow subsidiary undertaking into the company. The goodwill is being written off over ten years. The amount of goodwill arising from the transfer is £940,826.

The following table explains the adjustments made to the book values of the major categories of assets and liabilities acquired to arrive at the fair values included in the financial statements at the date of transfer.

	Book amount £	Reorgan- isation costs £	Fair value to the company £
Intangible fixed assets	756,676	184,150	940,826
Tangible fixed assets	521,931	-	521,931
Stocks	407,538	-	407,538
Debtors	2,787,792	-	2,787,792
Total assets	4,473,937	184,150	4,658,087
Trade creditors	924,483	-	924,483
Other creditors	2,044,296	184,150	2,228,446
Total liabilities	2,968,779	184,150	3,152,929
Net assets	1,505,158	-	1,505,158

9. Tangible fixed assets

	Leasehold Improvements £	Equipment fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 26th March 1991	-	-	-	-
Additions	-	8,509	119,161	127,670
Disposals	-	(13,662)	(157,309)	(170,971)
Transfer from fellow subsidiary undertaking	51,177	458,362	916,772	1,426,311
	-----	-----	-----	-----
At 31st December 1991	51,177	453,209	878,624	1,383,010
	-----	-----	-----	-----
Depreciation				
At 26th March 1991	-	-	-	-
Provided in the period	399	6,371	19,489	26,259
Disposals	-	(5,718)	(118,578)	(124,296)
Transfer from fellow subsidiary undertaking	27,730	372,447	504,203	904,380
	-----	-----	-----	-----
At 31st December 1991	28,129	373,100	405,114	806,343
	-----	-----	-----	-----
Net book value at: 31st December 1991	23,048	80,109	473,510	576,667
	-----	-----	-----	-----
26th March 1991	-	-	-	-
	-----	-----	-----	-----

The net book value of the company's fixed assets includes £25,542 in respect of assets held under finance leases and hire purchase agreements.

10. Fixed asset investments

Investments comprise of 100% of the ordinary share capital of Leicester Law Stationers Limited which no longer trades. The subsidiary undertaking is registered in England and Wales. The investment was transferred from a fellow subsidiary undertaking at net book value during the period.

STAT-PLUS LIMITED
NOTES TO THE ACCOUNTS - 31st DECEMBER 1991

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11. Debtors

	1991 £
Trade debtors	2,116,671
Prepayments and accrued income	67,217
Amounts owed by fellow subsidiary undertakings	72,598
ACT recoverable	286,667
Deferred tax asset	94,551
Sundry debtor	52,081
	<hr/>
	2,689,785
	<hr/>

The ACT recoverable of £286,667 falls due after more than one year.

12. Creditors - amounts falling due within one year

	1991 £
Uncleared banking items	405,493
Obligation under finance leases	22,108
Trade creditors	919,873
Owing to parent undertaking	10,782,211
Amounts owed to fellow subsidiary undertakings	3,664,449
Current corporation tax	151,736
Other taxes and social security costs	329,468
Accruals	906,455
	<hr/>
	17,181,793
	<hr/>

13. Creditors: amounts falling due after more than one year

The company has the following obligation under finance leases £4,807 which is payable in 1993.

14. Called up share capital

	£
Authorised 1,500 ordinary shares of £1 each	1,500

Allotted, called up and fully paid:	
Balance at 26th March 1991	2
Issued in the period	1,498

Balance at 31st December 1991	1,500

The shares issued in the period were at par for cash.

15. Pension Commitments

The company participates in a group pension scheme operated by Stat-Plus Group PLC.

The group operates a defined benefit scheme for its present directors and employees designed to provide retirement benefits based upon final salaries. The assets of the scheme are held in a separate trustee administered fund.

The pension cost of the scheme is determined with advice of a qualified actuary on the basis of triennial valuations. The latest valuation was carried out as at 1st January 1990 using the Projected Unit method modified by a 5 year control period, with the following main assumptions:

Rate of interest	9% per annum
Salary increases	7% per annum
Increase in pensions in payment	5% per annum
Dividend growth	4.3% per annum

The valuation showed that the market value of the scheme's assets was £1,258,000 and the actuarial value of the assets was sufficient to cover 70% of the benefits that had accrued to members, based on projected salaries. The company's pension expense for the period was £21,782.

There was a funding deficit of £530,000 at 1st January 1990 but this did not take account of the special payment of £573,000 later in that year. The resulting surplus of £43,000 is being spread forward over the remaining service lives of the employees.

16. Capital commitments

There were no amounts contracted for but not provided in the accounts at the end of the period. There were no amounts authorised by the directors but not contracted for at the end of the period.

17. Operating lease commitments

At 31st December 1991 the company was committed to making the following payments during the next year in respect of operating leases:

	1991 Land and buildings £
Leases which expire:	
Within 1 year	8,216
Within 2 to 5 years	27,856
After 5 years	31,800
	<hr/>
	67,872
	<hr/>

18. Ultimate parent company

The ultimate parent company is Stat-Plus Group PLC, a company registered in England and Wales. Copies of the parents consolidated financial statements may be obtained from the Company Secretary at Stat-Plus House, Greenlea Park, Prince George's Road, London SW19 2PU.