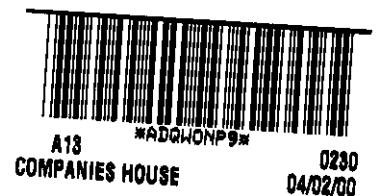


Registrar of Companies

SMT HOLDINGS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 1999

Miell and Company
Registered Auditors
Cranbrook House
287-291 Banbury Road, Oxford
OX2 7JQ



Company Registration Number: 3161654

SMT HOLDINGS LIMITED

**ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1999**

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SMT HOLDINGS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 1999**

DIRECTORS

M Moore
M Troth
R Scotton

SECRETARY

R Scotton

REGISTERED OFFICE

Unit 12, Stadium Way
Tilehurst
Reading
Berkshire RG30 6BX

COMPANY REGISTRATION NUMBER

3161654

AUDITORS

Miell and Company
Registered Auditors
Cranbrook House
287-291 Banbury Road
Oxford
OX2 7JQ

SMT HOLDINGS LIMITED

SMT HOLDINGS LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF SMT HOLDINGS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985 FOR THE YEAR ENDED 30 SEPTEMBER 1999

We have examined the abbreviated accounts set out on pages 3 to 6, together with the financial statements of the company for the year ended 30 September 1999 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

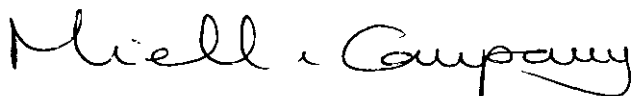
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.



MIELL AND COMPANY
REGISTERED AUDITORS
OXFORD

31st January 2000

SMT HOLDINGS LIMITED

**BALANCE SHEET
AS AT 30 SEPTEMBER 1999**

| | Notes | 1999 £ | 1998 £ |
|--|-------|-------------------|-------------------|
| FIXED ASSETS | | | |
| Investments | 2 | 481,980 | 481,980 |
| Tangible fixed assets | 3 | - | 1,625 |
| | | <u>481,980</u> | <u>483,605</u> |
| CURRENT ASSETS | | | |
| Cash at bank and in hand | | 1,865 | 14,867 |
| CREDITORS: Amounts falling due within one year | 4 | 87,284 | 77,872 |
| | | <u> </u> | <u> </u> |
| NET CURRENT LIABILITIES | | 85,419 | 63,005 |
| | | <u> </u> | <u> </u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 396,561 | 420,600 |
| CREDITORS: Amounts falling due after more than one year | | 122,177 | 280,047 |
| Provisions for liabilities and charges | | - | 109 |
| | | <u> </u> | <u> </u> |
| NET ASSETS | | <u>274,384</u> | <u>140,444</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 5 | 45,000 | 45,000 |
| Profit and loss account | | 229,384 | 95,444 |
| | | <u>274,384</u> | <u>140,444</u> |

The accounts are prepared in accordance with the special provisions of part VII of the Companies Act 1985, applicable to small companies.

These accounts were approved by the board of directors on 20.01.2000 and signed on its behalf by the following:



Director



Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1999

1 STATEMENT OF ACCOUNTING POLICIES

Accounting convention

These accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the value of goods and services provided, stated net of value added tax.

Depreciation

Depreciation has been provided at the following rates so as to write off the cost less residual value of the assets over their estimated useful lives.

Motor vehicles

Reducing balance 25%

Investments

Fixed asset investments are shown at cost less provision for permanent diminution in value. Current asset investments are stated at the lower of cost and net realisable value.

Leases

Assets under finance leases which confer rights and obligations similar to those attached to owned assets are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account on a straight line basis, to produce an approximately constant rate of charge on the balance of capital repayments outstanding. Hire Purchase transactions are dealt with similarly except that assets are depreciated over their useful lives.

Rentals under operating leases are charged and credited on a straight-line basis over the lease term.

Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements and is provided to the extent that it is probable that a liability or asset will crystallise.

SMT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1999**

2 INVESTMENTS

**Investment
in
subsidiary**

Costs

At 1 October 1998

481,980

At 30 September 1999

481,980

Net book value

At 1 October 1998

481,980

At 30 September 1999

481,980

The company owns 100% of the issued ordinary share capital of Fericon Press Limited, an unlisted company registered in Great Britain. Its principal activity for the year was printing.

Financial information summary:

1999

1998

£

£

Fericon Press Limited

Aggregate capital and reserves at 30th September

175,215

245,071

Results for the year ended 30th September

30,144

40,781

The directors consider the value of the company's investment in its subsidiary undertaking to be not less than the amount stated in the company's balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1999

3 TANGIBLE FIXED ASSETS

| | Tangible assets |
|---------------------------------|----------------------------|
| Costs | |
| At 1 October 1998 | 2,477 |
| Disposals | (2,477) |
| At 30 September 1999 | - |
| Accumulated depreciation | |
| At 1 October 1998 | 852 |
| Disposals | (852) |
| At 30 September 1999 | - |
| Net book value | |
| At 1 October 1998 | 1,625 |
| At 30 September 1999 | - |

4 CREDITORS

Included in creditors are bank loans of £83,097 (1998 - £228,277) secured by way of cross guarantee and debenture over the fixed assets (plant and machinery) and specified current assets (trade debtors) of Fericon Press Limited, a wholly owned subsidiary of SMT Holdings Limited.

5 SHARE CAPITAL

| | 1999 £ | 1998 £ |
|------------------------------------|-------------------|-------------------|
| Ordinary Shares of £1 each: | | |
| Authorised | 50,000 | 50,000 |
| Allotted, called up and fully paid | 45,000 | 45,000 |

6 RELATED PARTY TRANSACTIONS

The company provided management services totalling £207,520 (1998 - £221,030) to its subsidiary undertaking, Fericon Press Limited, a company in which M Moore, M Troth, and R Scotton are all directors. All transactions are made under normal commercial terms.