

Registered number
3794781

ALLSIGNS INTERNATIONAL LIMITED

Report and Accounts

30 June 2002



ALLSIGNS INTERNATIONAL LIMITED

Directors' Report

The directors present their report and accounts for the year ended 30 June 2002.

Principal activities and review of the business

The company's principal activity during the year was safety sign manufacture.

The company is in a good position to take advantage of any opportunities which may arise in the future.

Results and dividends

The profit for the year, after taxation, amounted to £865,268. The directors do not recommend a dividend.

Directors

The directors who served during the year and their interests in the share capital of the company were as follows:

	£1 Ordinary shares	
	2002	2001
R. Calder	2,500	2,500
S. Turner	2,500	2,500
Mrs. K Turner	2,500	2,500
Mrs. C Calder	2,500	2,500

No right was granted or exercised during the year for directors or their spouses to subscribe for shares or debentures of the company.

Directors' responsibilities

Company law requires the directors to prepare accounts 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 for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

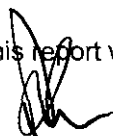
The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' report and other information included in the annual report is in accordance with company law in the United Kingdom.

Auditors

A resolution to reappoint PKF as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 28 April 2003.


D.E. KIGGIN
Company Secretary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALLSIGNS INTERNATIONAL LIMITED

We have audited the financial statements of Allsigns International Limited for the year ended 30 June 2002 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Directors' Report.

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.

Qualified opinion arising from disagreement about accounting treatment

Included in the Profit and Loss account is an amount of £250,000 (2001: £200,000) in respect of Employee Benefit Trust contributions made in the year. This is in line with the company's accounting policy as stated in note 1 to the financial statements.

In our opinion the correct accounting treatment, in line with UITF 32, would be to show the contributions as a company asset on the Balance Sheet until such time as they are actually expended for the benefit of employees. This treatment would result in an increase of profit before tax by the unexpended amount of contributions. The corporation tax charge for the year may also require adjustment to take account of the increase in profit, whilst net assets would increase by the increase in profit less any additional tax charge.

Except for the accounting treatment of the Employee Benefit Trust, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Sheffield, UK

29 April 2003

PKS

Registered Auditors

ALLSIGNS INTERNATIONAL LIMITED
Profit and Loss Account
for the year ended 30 June 2002

	Notes	2002 £	2001 £
Turnover	2	3,396,296	3,148,295
Cost of sales		(1,085,594)	(1,062,383)
Gross profit		2,310,702	2,085,912
Administrative expenses		(1,106,034)	(1,081,915)
Other operating income		-	363
Operating profit	3	1,204,668	1,004,360
Exceptional items: loss on investments	4	-	(50,000)
		1,204,668	954,360
Interest receivable		37,064	23,618
Profit on ordinary activities before taxation		1,241,732	977,978
Tax on profit on ordinary activities	7	(376,464)	(303,968)
Profit for the financial year		865,268	674,010
Retained profit for the financial year	16	865,268	674,010

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the year.

All amounts relate to continuing operations.

ALLSIGNS INTERNATIONAL LIMITED

Balance Sheet

as at 30 June 2002

	Notes	2002 £	2001 £
Fixed assets			
Intangible assets	8	8,800	13,200
Tangible assets	9	454,585	142,815
Investments	10	32,408	-
		<u>495,793</u>	<u>156,015</u>
Current assets			
Stocks	11	425,016	402,687
Debtors	12	688,717	812,312
Investments held as current assets	13	47,704	67,500
Cash at bank and in hand		1,518,596	570,238
		<u>2,680,033</u>	<u>1,852,737</u>
Creditors: amounts falling due within one year	14	(951,677)	(649,871)
Net current assets		<u>1,728,356</u>	<u>1,202,866</u>
		<u>2,224,149</u>	<u>1,358,881</u>
Capital and reserves			
Called up share capital	15	10,000	10,000
Profit and loss account	16	2,214,149	1,348,881
Shareholders' funds:			
Equity		<u>2,224,149</u>	<u>1,358,881</u>
	17	<u>2,224,149</u>	<u>1,358,881</u>

R.D.CALDER
Director

S.D.TURNER
Director

Approved by the board on 28 April 2003

ALLSIGNS INTERNATIONAL LIMITED
Cash Flow Statement
for the year ended 30 June 2002

	Notes	2002 £	2001 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		1,204,668	1,004,360
Depreciation charges and loss on sale of fixed assets		59,551	62,357
Amortisation of goodwill		4,400	4,400
(Increase) in stocks		(22,329)	(56,984)
Decrease/(Increase) in debtors		123,595	(140,086)
(Decrease)/increase in creditors		229,310	(454,580)
Net cash inflow from operating activities		1,599,195	419,467

CASH FLOW STATEMENT

Net cash inflow from operating activities		1,599,195	419,467
Returns on investments and servicing of finance	18	37,064	23,618
Taxation		(303,968)	(301,262)
Capital expenditure	18	(403,729)	(83,563)
		928,562	58,260
Management of liquid resources	18	19,796	10,200
Increase in cash		948,358	68,460

Reconciliation of net cash flow to movement in net funds

Increase in cash in the period		948,358	68,460
(Decrease) /increase in liquid resources		(19,796)	(60,200)
Change in net funds	19	928,562	8,260
Net funds/(net debt) at 1 July		637,738	629,478
Net funds at 30 June		1,566,300	637,738

ALLSIGNS INTERNATIONAL LIMITED

Notes to the Accounts

for the year ended 30 June 2002

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Depreciation

Depreciation is provided on all tangible 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:

Land and Buildings	2% Straight Line
Fixtures and fittings	20% Straight line
Plant and machinery	20% Straight line
Motor vehicles	20% Straight line
Computer equipment	33% Straight line

Stocks

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

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Employee Benefit Trust

The payments made to the Employee Benefit Trust are charged to the Profit and Loss Account.

Liquid Resources

Liquid Resources comprise current asset investments readily convertible into cash.

2 Turnover

Turnover is attributable to one continuing activity,
Analysis by geographical market:

	2002	2001
	£	£
UK Sales	3,269,066	2,993,758
Overseas Sales	127,230	154,537
	<u>3,396,296</u>	<u>3,148,295</u>

3 Operating profit

	2002	2001
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	57,134	54,895
Amortisation of goodwill	4,400	4,400
Loss on sale of fixed assets	2,417	7,462
Auditors' remuneration	<u>5,000</u>	<u>5,500</u>

ALLSIGNS INTERNATIONAL LIMITED

Notes to the Accounts

for the year ended 30 June 2002

4 Exceptional items	2002	2001
	£	£
Loss on investment in Creative Kitchenware Limited	-	(50,000)
5 Directors' emoluments	2002	2001
	£	£
Emoluments	112,289	105,081
Company contributions to money purchase pension schemes	72,000	72,000
	<u>184,289</u>	<u>177,081</u>
Number of directors in company pension schemes:	2002	2001
	Number	Number
Money purchase schemes	<u>4</u>	<u>4</u>
6 Staff costs	2002	2001
	£	£
Wages and salaries	806,041	752,757
Social security costs	40,900	44,313
Other pension costs	72,000	72,000
	<u>918,941</u>	<u>869,070</u>
Average number of employees during the year	Number	Number
Administration	12	12
Manufacturing	21	23
Sales	4	4
	<u>37</u>	<u>39</u>
7 Taxation	2002	2001
	£	£
UK corporation tax	<u>376,464</u>	<u>303,968</u>
There is presently ongoing discussions with the Inland Revenue regarding the timing and tax relief of payments to the Employee Benefit Trust.		
Factors affecting tax charge for the period :-		
Profit on ordinary activities before tax	<u>1,241,732</u>	<u>977,978</u>
Profit on ordinary activities multiplied by standard tax rate of corporation tax at 30% (2001 30%)	372,520	293,393
Effects of:		
Expenses not deducted for tax purposes	4,086	19,086
Small company marginal relief	(5,656)	(11,233)
Depreciation for period in excess of capital allowances	5,514	2,722
	<u>376,464</u>	<u>303,968</u>

ALLSIGNS INTERNATIONAL LIMITED

Notes to the Accounts

for the year ended 30 June 2002

8 Intangible fixed assets	£
Goodwill:	
Cost	
At 1 July 2001	22,000
At 30 June 2002	<u>22,000</u>
Amortisation	
At 1 July 2001	8,800
Provided during the year	<u>4,400</u>
At 30 June 2002	<u>13,200</u>
Net book value	
At 30 June 2002	<u>8,800</u>
At 30 June 2001	<u>13,200</u>

Goodwill is being written off in equal annual instalments over its estimated economic life of 5 years.

9 Tangible fixed assets

	Freehold land and buildings £	Plant, equipment and vehicles £	Total £
Cost			
At 1 July 2001	-	224,290	224,290
Additions	350,000	41,033	391,033
Disposals	-	(31,208)	(31,208)
At 30 June 2002	<u>350,000</u>	<u>234,115</u>	<u>584,115</u>
Depreciation			
At 1 July 2001	-	81,475	81,475
Charge for the year	-	57,134	57,134
On disposals	-	(9,079)	(9,079)
At 30 June 2002	<u>-</u>	<u>129,530</u>	<u>129,530</u>
Net book value			
At 30 June 2002	<u>350,000</u>	<u>104,585</u>	<u>454,585</u>
At 30 June 2001	<u>-</u>	<u>142,815</u>	<u>142,815</u>

ALLSIGNS INTERNATIONAL LIMITED
Notes to the Accounts
for the year ended 30 June 2002

10 Investments

	Other investments £
Cost	
Additions	32,408
At 30 June 2002	<u>32,408</u>

Other investments	2002	2001
	£	£
Unlisted investments	<u>32,408</u>	<u>-</u>

11 Stocks

	2002	2001
	£	£
Raw materials and consumables	33,431	46,047
Work in progress	947	2,518
Finished goods and goods for resale	<u>390,638</u>	<u>354,122</u>
	<u>425,016</u>	<u>402,687</u>

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

12 Debtors

	2002	2001
	£	£
Trade debtors	650,197	632,380
Other debtors	-	151,609
Prepayments and accrued income	<u>38,520</u>	<u>28,323</u>
	<u>688,717</u>	<u>812,312</u>

13 Investments held as current assets

	2002	2001
	£	£
Unlisted investments	<u>47,704</u>	<u>67,500</u>

14 Creditors: amounts falling due within one year

	2002	2001
	£	£
Trade creditors	236,702	216,297
Corporation tax	376,464	303,968
Other taxes and social security costs	104,308	91,333
Other creditors	<u>234,203</u>	<u>38,273</u>
	<u>951,677</u>	<u>649,871</u>

ALLSIGNS INTERNATIONAL LIMITED
Notes to the Accounts
for the year ended 30 June 2002

15 Share capital			2002	2001
			£	£
Authorised:				
Ordinary shares of £1 each			10,000	10,000
	2002	2001	2002	2001
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

16 Profit and loss account		2002	2001
		£	£
At 1 July		1,348,881	674,871
Retained profit		865,268	674,010
At 30 June		2,214,149	1,348,881

17 Reconciliation of movement in shareholders' funds		2002	2001
		£	£
At 1 July		1,358,881	684,871
Profit for the financial year		865,268	674,010
At 30 June		2,224,149	1,358,881

18 Gross cash flows		2002	2001
		£	£
Returns on investments and servicing of finance			
Interest received		37,064	23,618
Capital expenditure			
Payments to acquire tangible fixed assets		(391,033)	(117,094)
Payments to acquire investments		(32,408)	-
Receipts from sales of tangible fixed assets		19,712	33,531
		(403,729)	(83,563)
Management of liquid resources			
Sale of current asset investments		19,796	10,200

19 Analysis of changes in net funds		At 1 July	Cash flows	Non-cash	At 30 June
		2001		changes	2002
		£	£	£	£
Cash at bank and in hand		570,238	948,358		1,518,596
Current asset investments		67,500	(19,796)		47,704
Total		637,738	928,562	-	1,566,300

ALLSIGNS INTERNATIONAL LIMITED

Notes to the Accounts

for the year ended 30 June 2002

20 Employee Benefit Trust

During the year the company made contributions to the employee trust in the sum of £250,000 which is charged against profits in accordance with existing accounting policy. The directors are reviewing this policy to maintain future compliance but, as the company will accrue no future benefits from the Employee Benefit Trust and the assets of the Trust are beyond the control of the company, the directors opinion is that UITF 32 is not currently applicable.

21 Transactions with Related Parties

R.Calder and S.Turner, directors of the company have significant interests in Creative Kitchenware Limited to which notes 4 and 13 above relate.

Included in creditors are amounts owed to directors of the company as follows:-

	£
S Turner	168,370
R Calder	19,689
C.Calder	12,110
K.Turner	34,034

During the year the company acquired premises from R.Calder and S.Turner at a value of £350,000.

The investments referred to in note 10 were assigned to the company by R.Calder and S.Turner.

ALLSIGNS INTERNATIONAL LIMITED**Profit and Loss Account****for the year ended 30 June 2002***for the information of the directors only*

	2002	2001
	£	£
Sales	3,396,296	3,148,295
Cost of sales	(1,085,594)	(1,062,383)
Gross profit	<u>2,310,702</u>	<u>2,085,912</u>
Administrative expenses	(1,106,034)	(1,081,915)
Other operating income	-	363
Operating profit	<u>1,204,668</u>	<u>1,004,360</u>
Exceptional items	-	(50,000)
Interest receivable	37,064	23,618
Profit before tax	<u>1,241,732</u>	<u>977,978</u>

ALLSIGNS INTERNATIONAL LIMITED
Schedule to the Profit and Loss Account
for the year ended 30 June 2002
for the information of the directors only

	2002 £	2001 £
Sales		
Sales	<u>3,396,296</u>	<u>3,148,295</u>
 Cost of sales		
Purchases	689,168	682,684
Increase in stock	(22,328)	(56,985)
Subcontractor costs	21,207	49,824
Direct labour	248,369	249,600
Carriage	132,920	121,027
Commissions payable	16,258	16,233
	<u>1,085,594</u>	<u>1,062,383</u>
 Administrative expenses		
Employee costs:		
Wages and salaries	219,712	215,197
Directors' salaries	87,960	87,960
Pensions	72,000	72,000
Employee Benefit Trust	250,000	200,000
Employer's NI	40,900	44,313
Staff training and welfare	4,440	6,161
Travel and subsistence	10,525	15,747
Motor expenses	29,090	29,056
	<u>714,627</u>	<u>670,434</u>
 Premises costs:		
Rates	16,895	15,808
Light and heat	4,568	5,072
Cleaning	790	1,417
	<u>22,253</u>	<u>22,297</u>
 General administrative expenses:		
Telephone and fax	18,759	17,691
Stationery and printing	153,444	144,996
Subscriptions	3,765	2,169
Equipment hire	5,073	5,192
Repairs and maintenance	18,570	38,087
Depreciation and loss on sale of fixed assets	59,551	62,357
Amortisation of goodwill	4,400	4,400
Bad debts	5,284	18,310
Sundry expenses	38	88
	<u>268,884</u>	<u>293,290</u>

ALLSIGNS INTERNATIONAL LIMITED
Schedule to the Profit and Loss Account
for the year ended 30 June 2002
for the information of the directors only

	2002	2001
	£	£
Legal and professional costs:		
Audit fees	4,000	5,500
Accountancy fees	-	3,300
Legal and Consultancy fees	19,729	19,649
Insurance	4,745	4,985
Bank charges	6,525	5,956
Advertising and PR	65,271	56,504
	<u>100,270</u>	<u>95,894</u>
	<u>1,106,034</u>	<u>1,081,915</u>
Other operating income		
Other operating income	<u>-</u>	<u>363</u>