

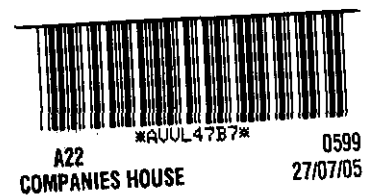
Registered number  
3794781

**ALLSIGNS INTERNATIONAL LIMITED**

**Report and Accounts**

**30 June 2004**

**Revised accounts- CAD 25444**



## **ALLSIGNS INTERNATIONAL LIMITED**

### **Directors' Report**

The directors present their report and accounts for the year ended 30 June 2004.

#### **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**

The loss for the year, after taxation, amounted to £762,684.

#### **Events since the balance sheet date**

In November 2003 a key incentivisation arrangement was established by transferring restricted shares in a subsidiary company to the participating employees. Subsequent payments from the arrangement are made subject to performance targets being met.

#### **Directors**

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

	£1 Ordinary shares	
	2004	2003
R. Calder	2,500	2,500
S. Turner	5,000	2,500
Mrs. K Turner (Resigned 01/07/03)	-	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.

This report was approved by the board on 28 April 2005.

D.E.KIGGIN  
Company Secretary

**ALLSIGNS INTERNATIONAL LIMITED**  
**Profit and Loss Account**  
**for the year ended 30 June 2004**

	Notes	2004 £	2003 £
<b>Turnover</b>	2	3,535,553	3,659,929
Cost of sales		(1,193,302)	(1,283,330)
<b>Gross profit</b>		<u>2,342,251</u>	<u>2,376,599</u>
Administrative expenses		(2,765,325)	(1,136,129)
<b>Operating profit</b>	3	<u>(423,074)</u>	<u>1,240,470</u>
Exceptional items: profit on disposal of tangible fixed assets	4	<u>29,528</u>	<u>-</u>
		<u>(393,546)</u>	<u>1,240,470</u>
Interest receivable		30,319	56,308
<b>Profit on ordinary activities before taxation</b>		<u>(363,227)</u>	<u>1,296,778</u>
Tax on profit on ordinary activities	7	(8,858)	(393,807)
<b>Profit for the financial year</b>		<u>(372,085)</u>	<u>902,971</u>
Dividends: ordinary dividend on equity shares	8	(390,599)	-
<b>Retained profit for the financial year</b>	16	<u>(762,684)</u>	<u>902,971</u>

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit in the preceding or current financial year.

All amounts relate to continuing operations.

**ALLSIGNS INTERNATIONAL LIMITED**  
**Balance Sheet**  
**as at 30 June 2004**

	Notes	2004 £	2003 £
<b>Fixed assets</b>			
Intangible assets	9	-	4,400
Tangible assets	10	501,845	506,441
Investments	11	291,668	162,038
		<u>793,513</u>	<u>672,879</u>
<b>Current assets</b>			
Stocks	12	671,117	459,879
Debtors	13	804,005	728,439
Cash at bank and in hand		450,335	2,075,908
		<u>1,925,457</u>	<u>3,264,226</u>
<b>Creditors: amounts falling due within one year</b>	14	(354,534)	(809,985)
<b>Net current assets</b>		<u>1,570,923</u>	<u>2,454,241</u>
		<u>2,364,436</u>	<u>3,127,120</u>
<b>Capital and reserves</b>			
Called up share capital	15	10,000	10,000
Profit and loss account	16	2,354,436	3,117,120
<b>Shareholders' funds:</b>			
Equity	16	<u>2,364,436</u>	<u>3,127,120</u>

For the year ended 30th June 2004 the company was entitled to exemption under section 249A(1) of the Companies Act 1985. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2). The directors acknowledge their responsibility for:

- i) ensuring the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the company.

R.D.CALDER  
Director

S.D.TURNER  
Director

Approved by the board on 28 April 2005

**ALLSIGNS INTERNATIONAL LIMITED**  
**Cash Flow Statement**  
**for the year ended 30 June 2004**

	Notes	2004 £	2003 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		(423,074)	1,240,470
Depreciation charges and loss on sale of fixed assets		61,881	68,135
Amortisation of goodwill		4,400	4,400
(Increase) in stocks		(211,238)	(34,863)
Decrease/(Increase) in debtors		(75,566)	7,982
(Decrease)/increase in creditors		(70,502)	(159,035)
<b>Net cash inflow from operating activities</b>		<u>(714,099)</u>	<u>1,127,089</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow from operating activities</b>		(714,099)	1,127,089
<b>Returns on investments and servicing of finance</b>	18	30,319	56,308
<b>Taxation</b>		(393,807)	(376,464)
<b>Capital expenditure</b>	18	<u>(157,387)</u> <u>(1,234,974)</u>	<u>(213,533)</u> <u>593,400</u>
<b>Equity dividends paid</b>		<u>(390,599)</u> <u>(1,625,573)</u>	<u>-</u> <u>593,400</u>
<b>Management of liquid resources</b>	18	-	(36,088)
<b>Increase in cash</b>		<u>(1,625,573)</u>	<u>557,312</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
<b>Increase in cash in the period</b>		(1,625,573)	557,312
(Decrease) /increase in liquid resources		-	(19,796)
<b>Change in net funds</b>	19	<u>(1,625,573)</u>	<u>537,516</u>
<b>Net funds/(net debt) at 1 July</b>		<u>2,075,908</u>	<u>1,538,392</u>
<b>Net funds at 30 June</b>		<u>450,335</u>	<u>2,075,908</u>

# ALLSIGNS INTERNATIONAL LIMITED

## Notes to the Accounts

for the year ended 30 June 2004

### 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	25% 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.

#### **Investments**

Investments held as current assets are stated at the lower of cost and net realisable value.

#### **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:	<b>2004</b>	<b>2003</b>
	£	£
UK Sales	3,552,775	3,269,066
Overseas Sales	107,154	127,230
	<u>3,659,929</u>	<u>3,396,296</u>

### 3 Operating Loss/Profit

	<b>2004</b>	<b>2003</b>
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	61,881	68,135
Amortisation of goodwill	4,400	4,400
Loss on sale of fixed assets	-	1,668
Auditors' remuneration	-	6,650

**ALLSIGNS INTERNATIONAL LIMITED**  
**Notes to the Accounts**  
**for the year ended 30 June 2004**

<b>4 Exceptional items</b>	<b>2004</b>	<b>2003</b>
	£	£
Profit on disposal of land and buildings	29,528	-
<b>5 Directors' emoluments</b>	<b>2004</b>	<b>2003</b>
	£	£
Emoluments	1,867,772	103,802
Company contributions to money purchase pension schemes	45,000	63,000
	1,912,772	166,802
Highest paid director: Emoluments	1,793,980	-
<b>Number of directors in company pension schemes:</b>	<b>2004</b>	<b>2003</b>
	Number	Number
Money purchase schemes	3	4
<b>6 Staff costs</b>	<b>2004</b>	<b>2003</b>
	£	£
Wages and salaries	710,829	882,898
Social security costs	61,873	44,240
Other pension costs	45,000	63,000
	817,702	990,138
<b>Average number of employees during the year</b>	<b>Number</b>	<b>Number</b>
Administration	11	11
Manufacturing	22	22
Sales	5	5
	38	38
<b>7 Taxation</b>	<b>2004</b>	<b>2003</b>
	£	£
UK corporation tax	8,858	393,807
<b>8 Equity dividends</b>	<b>2004</b>	<b>2003</b>
	£	£
Equity dividends on ordinary shares - final proposed	390,599	-

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 :-

Loss ordinary activities before tax	363,227	1,241,732
Loss on ordinary activities multiplied by standard tax rate of corporation tax at 30% (2003 30%)		372,520
Capital Gains Tax	8,858	
Effects of:		
Expenses not deducted for tax purposes	26,443	4,086

# ALLSIGNS INTERNATIONAL LIMITED

## Notes to the Accounts

### for the year ended 30 June 2004

Small company marginal relief		(5,656)
Capital allowances in excess of depreciation		-
Depreciation for period in excess of capital allowances	20,063	5,514
	<u>55,364</u>	<u>376,464</u>

In November 2003, a payment of £1,800,000 was paid into a key employee incentivisation arrangement which has been operated by transferring restricted shares in a subsidiary company to the participating employees. The restrictions cease to apply within 5 years.

The tax deduction is equal to the value of the shares as at the date they were transferred to the participating employees. As payments from the arrangement are subject to performance targets being met and other restrictions, they are not guaranteed and hence the value of the shares reflect this. As a result, an amount has been added back through the corporation tax computation.

<b>9 Intangible fixed assets</b>	£
<b>Goodwill:</b>	
<b>Cost</b>	
At 1 July 2003	22,000
At 30 June 2004	22,000
<b>Amortisation</b>	
At 1 July 2003	17,600
Provided during the year	4,400
At 30 June 2004	22,000
<b>Net book value</b>	
At 30 June 2004	-
At 30 June 2003	4,400

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

### 10 Tangible fixed assets

	Freehold land and buildings £	Plant, equipment and vehicles £	Total £
<b>Cost</b>			
At 1 July 2003	386,088	277,033	663,121
Additions	67,783	28,696	96,479
Disposals	(36,088)	(3,106)	(39,194)
At 30 June 2004	<u>417,783</u>	<u>302,623</u>	<u>720,406</u>
<b>Depreciation</b>			
At 1 July 2003	7,000	149,680	156,680
Charge for the year	7,000	54,881	61,881
At 30 June 2004	<u>14,000</u>	<u>204,561</u>	<u>218,561</u>
<b>Net book value</b>			
At 30 June 2004	<u>403,783</u>	<u>98,062</u>	<u>501,845</u>
At 30 June 2003	<u>379,088</u>	<u>127,353</u>	<u>506,441</u>



**ALLSIGNS INTERNATIONAL LIMITED**  
**Notes to the Accounts**  
**for the year ended 30 June 2004**

**11 Investments**

		<b>Other investments</b>
<b>Cost</b>		<b>£</b>
At 30 June 2003		162,038
Additions		129,630
At 30 June 2004		-
		<u>291,668</u>
<b>Other investments</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Unlisted investments	<u>291,668</u>	<u>162,038</u>

<b>12 Stocks</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Raw materials and consumables	52,500	28,105
Work in progress	1,473	1,452
Finished goods and goods for resale	<u>617,144</u>	<u>430,322</u>
	<u>671,117</u>	<u>459,879</u>

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

<b>13 Debtors</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Trade debtors	676,782	646,748
Other debtors	105,703	47,669
Prepayments and accrued income	<u>21,520</u>	<u>34,022</u>
	<u>804,005</u>	<u>728,439</u>

<b>14 Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Trade creditors	233,124	255,516
Corporation tax	8,858	393,807
Other taxes and social security costs	107,810	99,759
Other creditors	<u>4,742</u>	<u>60,903</u>
	<u>354,534</u>	<u>809,985</u>

**ALLSIGNS INTERNATIONAL LIMITED**  
**Notes to the Accounts**  
**for the year ended 30 June 2004**

<b>15 Share capital</b>			<b>2004</b>	<b>2003</b>
			<b>£</b>	<b>£</b>
Authorised:				
Ordinary shares of £1 each			<u>10,000</u>	<u>10,000</u>
	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	10,000	10,000	<u>10,000</u>	<u>10,000</u>
<b>16 Profit and loss account</b>			<b>2004</b>	<b>2003</b>
			<b>£</b>	<b>£</b>
At 1 July			3,117,120	2,214,149
Retained loss/profit			(762,684)	902,971
			<u>2,354,436</u>	<u>3,117,120</u>
At 30 June				
<b>17 Reconciliation of movement in shareholders' funds</b>			<b>2004</b>	<b>2003</b>
			<b>£</b>	<b>£</b>
At 1 July			3,127,120	2,224,149
Profit for the financial year			(372,085)	902,971
Dividends			(390,599)	-
			<u>2,364,436</u>	<u>3,127,120</u>
At 30 June				
<b>18 Gross cash flows</b>			<b>2004</b>	<b>2003</b>
			<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>				
Interest received			<u>30,319</u>	<u>56,308</u>
<b>Capital expenditure</b>				
Payments to acquire tangible fixed assets			(96,479)	(109,903)
Payments to acquire investments			(129,630)	(129,630)
Receipts from sales of tangible fixed assets			<u>68,722</u>	<u>26,000</u>
			<u>(157,387)</u>	<u>(213,533)</u>
<b>Management of liquid resources</b>				
Purchase of current asset investments			<u>-</u>	<u>(36,088)</u>
<b>19 Analysis of changes in net funds</b>				
	<b>At 1 July</b>	<b>Cash flows</b>	<b>Non-cash</b>	<b>At 30 June</b>
	<b>2003</b>		<b>changes</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	2,075,908	(1,625,573)		450,335
Total	<u>2,075,908</u>	<u>(1,625,573)</u>	<u>-</u>	<u>450,335</u>

# **ALLSIGNS INTERNATIONAL LIMITED**

## **Notes to the Accounts**

**for the year ended 30 June 2004**

### **20 Employee Benefit Trust**

The directors are reviewing the policy with regards to the Employee Benefit Trust. 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 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 the other debtors as shown in note 11 above relates.

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

£

C.Calder	1,264
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K.Turner	3,478
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The maximum amounts outstanding on the loan accounts were :-

£

S Turner	93,154
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R Calder	87,710
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The investments referred to in note 11 were assigned to the company by R.Calder and S.Turner.

In November 2003 a total payment of £1,800,000 was paid into a key employee incentivisation arrangement which has been operated by transferring restricted shares in a subsidiary company to the participating employees. Subsequent payments from the arrangement are made subject to performance targets being met.

The total payment made of £1,800,000 has been allocated to the year ended 30 June 2004.

The maximum payments due under this arrangement are as follows:

<b>Key employee</b>	<b>Maximum amount £</b>
R Calder	1,750,000

**ALLSIGNS INTERNATIONAL LIMITED**  
**Profit and Loss Account**  
**for the year ended 30 June 2004**  
*for the information of the directors only*

	<b>2004</b> £	<b>2003</b> £
<b>Sales</b>	3,535,553	3,659,929
Cost of sales	(1,193,302)	(1,283,330)
<b>Gross profit</b>	<u>2,342,251</u>	<u>2,376,599</u>
Administrative expenses	(2,765,325)	(1,136,129)
<b>Operating profit</b>	<u>(423,074)</u>	<u>1,240,470</u>
Exceptional items	29,528	-
Interest receivable	30,319	56,308
<b>Profit before tax</b>	<u>(363,227)</u>	<u>1,296,778</u>

**ALLSIGNS INTERNATIONAL LIMITED**  
**Schedule to the Profit and Loss Account**  
**for the year ended 30 June 2004**  
*for the information of the directors only*

	2004 £	2003 £
<b>Sales</b>		
Sales	<u>3,535,553</u>	<u>3,659,929</u>
 <b>Cost of sales</b>		
Purchases	945,992	888,811
Increase in stock	(211,239)	(34,863)
Subcontractor costs	995	22,565
Direct labour	293,725	251,481
Carriage	163,829	153,895
Commissions payable	-	1,441
	<u>1,193,302</u>	<u>1,283,330</u>
 <b>Administrative expenses</b>		
Employee costs:		
Wages and salaries	312,696	238,157
Directors' salaries	104,408	93,260
Pensions	45,000	63,000
Employee Benefit Trust	-	300,000
Employer's NI	61,873	44,240
Employee Incentivisation	1,800,000	-
Staff training and welfare	8,026	8,481
Travel and subsistence	6,172	10,607
Motor expenses	46,088	42,828
	<u>2,384,263</u>	<u>800,573</u>
 Premises costs:		
Rates	17,168	16,748
Light and heat	6,209	6,764
Cleaning	1,506	1,232
	<u>24,883</u>	<u>24,744</u>
 General administrative expenses:		
Telephone and fax	17,217	19,201
Stationery and printing	57,601	63,624
Subscriptions	3,302	1,980
Equipment hire	4,936	3,696
Repairs and maintenance	18,282	32,814
Depreciation and loss on sale of fixed assets	61,881	68,135
Amortisation of goodwill	4,400	4,400
Bad debts	9,868	1,970
Sundry expenses	-	66
	<u>177,487</u>	<u>195,886</u>

**ALLSIGNS INTERNATIONAL LIMITED**  
**Schedule to the Profit and Loss Account**  
**for the year ended 30 June 2004**  
*for the information of the directors only*

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Legal and professional costs:		
Audit fees	-	6,650
Accountancy fees	300	-
Legal and Consultancy fees	39,732	33,688
Insurance	15,040	12,643
Bank charges	4,912	5,725
Advertising and PR	118,708	56,220
	<u>178,692</u>	<u>114,926</u>
	<u>2,765,325</u>	<u>1,136,129</u>