

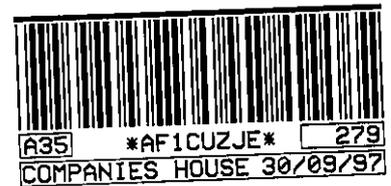
Company Number : 146681

F F ALLSOPP & CO LIMITED

ANNUAL REPORT

YEAR ENDED 31 DECEMBER 1996

PANNELL KERR FORSTER
Chartered Accountants



F F ALLSOPP & CO LIMITED
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F F ALLSOPP & CO LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 1996

The directors submit their report together with the financial statements for the year ended 31 December 1996.

Principal Activity

The principal activity of the company is that of bookbinders and print finishers.

Directors

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

	<u>1996</u>		<u>1995</u>	
	<u>Number of shares</u>		<u>Number of shares</u>	
	<u>Ordinary</u>	<u>Redeemable 'B' Preference</u>	<u>Ordinary</u>	<u>'B' Redeemable preference</u>
J Loach	-	1,167	-	1,167
R J Loach	15,050	-	15,050	-
G T Hillyard	50	-	50	-

Auditors

The auditors Pannell Kerr Forster, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

Small Company Exemptions

Advantage has been taken in the preparation of this report of the exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

By order of the board

Mrs B M Loach
Secretary

19 September 1997

H. Loach.

F F ALLSOPP & CO LIMITED
STATEMENT OF 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 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.

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
F F ALLSOPP & CO LIMITED**

We have audited the financial statements on pages 4 to 12 which have been prepared under the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards. 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 affairs of the company as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, applicable to small companies.



PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

Nottingham
26 September 1997

F F ALLSOPP & CO LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1996

	Notes	<u>1996</u>	<u>1995</u>
		£	£
TURNOVER		2,192,166	1,917,981
Cost of sales		<u>(1,437,232)</u>	<u>(1,215,501)</u>
GROSS PROFIT		754,934	702,480
Net operating expenses		<u>(626,024)</u>	<u>(582,365)</u>
OPERATING PROFIT		128,910	120,115
Other interest receivable and similar income		1,219	5,049
Interest payable and similar charges	4	<u>(35,642)</u>	<u>(43,803)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	94,487	81,361
TAX ON PROFIT ON ORDINARY ACTIVITIES		<u>(13,250)</u>	<u>(23,011)</u>
PROFIT FOR THE FINANCIAL YEAR		81,237	58,350
DIVIDENDS	6	<u>(9,089)</u>	<u>(15,776)</u>
RETAINED PROFIT FOR THE YEAR	13	<u><u>72,148</u></u>	<u><u>42,574</u></u>

All amounts relate to continuing operations.

There were no recognised gains or losses for the year other than those included in the profit and loss account.

F F ALLSOPP & CO LIMITED
BALANCE SHEET
31 DECEMBER 1996

	Notes	<u>1996</u>		<u>1995</u>	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		614,926		595,562
CURRENT ASSETS					
Stocks	8	191,080		165,180	
Debtors	9	601,982		536,572	
Cash at bank and in hand		<u>38</u>		<u>43,266</u>	
		<u>793,100</u>		<u>745,018</u>	
CREDITORS					
Amounts falling due within one year	10	<u>(619,919)</u>		<u>(628,733)</u>	
NET CURRENT ASSETS			<u>173,181</u>		<u>116,285</u>
TOTAL ASSETS LESS					
CURRENT LIABILITIES					
			788,107		711,847
CREDITORS					
Amounts falling due after more than one year	10	(198,012)		(198,150)	
PROVISIONS FOR LIABILITIES AND					
CHARGES					
	11	<u>(45,000)</u>		<u>(40,750)</u>	
			<u>(243,012)</u>		<u>(238,900)</u>
NET ASSETS					
			<u>545,095</u>		<u>472,947</u>
CAPITAL AND RESERVES					
Called up share capital	12		7,358		7,358
Revaluation Reserve	13		-		15,017
Other Reserve	13		38,144		38,144
Profit and loss account	13		<u>499,593</u>		<u>412,428</u>
SHAREHOLDERS' FUNDS					
	14		<u>545,095</u>		<u>472,947</u>

Advantage has been taken in the preparation of the financial statements of the exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 on the grounds that the company is entitled to the exemptions mentioned in Section 246 of the Act as a small company.

The financial statements were approved by the board on 19 September 1997.

Signed on behalf at the board of directors

G T Hillyard Director



R J Loach Director



F F ALLSOPP & CO LIMITED

BALANCE SHEET
31 DECEMBER 1996

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

(a) **Accounting convention**

The financial statements set out on pages 4 to 12 are prepared under the historical cost convention.

(b) **Depreciation**

Freehold land is not depreciated. Other tangible fixed assets are written off over their estimated useful lives on a straight line basis at the following annual rates:

Plant and equipment	7% to 25%
Motor vehicles	25%

(c) **Turnover**

Turnover represents invoiced sales less allowances, trade discounts and value added tax.

(d) **Finance leases and Hire Purchase Contracts**

Assets acquired under finance leases and hire purchase contracts are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease or contract in proportion to the capital balance outstanding.

(e) **Stocks and work in progress**

Stocks are stated at the lower of cost and net realisable value. For raw materials and consumables cost is determined on a first in first out basis. For work in progress, cost is determined using the average basis and consists of material and direct labour costs, together with an appropriate proportion of overheads. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

(f) **Deferred taxation**

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise in the foreseeable future.

(g) **Government grants**

Government grants receivable are credited against the expense to which they relate as they fall due.

(h) **Pension Costs**

The Company operates a defined contribution scheme providing benefits for employees additional to those from the state. The pension cost charge represents contributions payable by the company to the fund in respect of the year.

F F ALLSOPP & CO LIMITED
BALANCE SHEET
31 DECEMBER 1996

2 STAFF PARTICULARS

Staff costs comprised:	<u>1996</u>	<u>1995</u>
	£	£
Wages and salaries	1,128,542	1,058,529
Social Security costs	94,059	89,762
Other pension costs	55,065	44,529
	<u>1,277,666</u>	<u>1,192,820</u>

The average weekly number of persons employed during the year was made up as follows:

	Number	
	<u>1996</u>	<u>1995</u>
Factory	60	60
Administration	14	14
	<u>74</u>	<u>74</u>

3 DIRECTOR'S REMUNERATION

The aggregate amount of directors' emoluments comprised:	<u>1996</u>	<u>1995</u>
	£	£
Fees and salaries	81,713	89,995
Pension contributions	23,734	21,240
	<u>105,447</u>	<u>111,235</u>

Emoluments (excluding pension contributions) included the following:

	<u>1996</u>	<u>1995</u>
	£	£
Chairman	5,000	5,000
Highest paid director	<u>46,257</u>	<u>47,722</u>

The emoluments of the other directors (excluding pension contributions) fell in the following ranges:

	Number of directors	
	<u>1996</u>	<u>1995</u>
£35,001 - £40,000	1	1
	<u>1</u>	<u>1</u>

F F ALLSOPP & CO LIMITED
BALANCE SHEET
31 DECEMBER 1996

4 INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges comprised:	<u>1996</u>	<u>1995</u>
	£	£
On bank borrowings repayable within five years	-	81
On hire purchase obligations payable within five years	29,842	40,722
Other interest charges	5,800	3,000
	<u>35,642</u>	<u>43,803</u>

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging/(crediting) the following:

		<u>1996</u>	<u>1995</u>
		£	£
Depreciation - on leased assets	(Note 7)	67,952	58,119
- on other assets	(Note 7)	42,113	38,439
Auditor's remuneration - audit fee		3,625	3,625
Profit/(loss) on disposal of fixed assets		(44,865)	381
Staff costs	(Note 2)	1,277,666	1,192,820
		<u>1,277,666</u>	<u>1,192,820</u>

6 DIVIDENDS

	<u>1996</u>	<u>1995</u>
	£	£
Proposed dividend	<u>9,089</u>	<u>15,776</u>

The dividend comprises a proposed final dividend of £1.24 per share compared with £2.14 per share in 1995.

F F ALLSOPP & CO LIMITED
BALANCE SHEET
31 DECEMBER 1996

7 FIXED ASSETS - TANGIBLE

The movement on these accounts during the year was as follows:

	<u>Freehold land & buildings</u> £	<u>Plant and equipment and vehicles</u> £	<u>Total</u> £
Cost or valuation			
At 1 January 1996	25,000	1,322,714	1,347,714
Additions	-	154,914	154,914
Disposals	<u>(25,000)</u>	<u>(13,935)</u>	<u>(38,935)</u>
At 31 December 1996	<u>-</u>	<u>1,463,693</u>	<u>1,463,693</u>
Accumulated depreciation			
At 1 January 1996	-	752,152	752,152
Charge	-	110,065	110,065
Disposals	<u>-</u>	<u>(13,450)</u>	<u>(13,450)</u>
At 31 December 1996	<u>-</u>	<u>848,767</u>	<u>848,767</u>
Net book amount			
At 31 December 1996	<u>-</u>	<u>614,926</u>	<u>614,926</u>
At 31 December 1995	<u>25,000</u>	<u>570,562</u>	<u>595,562</u>

The net book amount of plant and equipment included £443,223 (1995 - £427,862) in respect of assets held under finance leases. Depreciation charged in the year on those assets amounted to £67,952 (1995 - £58,119).

During the year the company entered into finance lease arrangements in respect of assets with a total capital value at the inception of the lease of £141,181 (1995 : £171,859)

8 STOCKS

Stocks comprised:

	<u>1996</u> £	<u>1995</u> £
Raw materials and consumables	35,461	60,323
Work in progress	<u>155,619</u>	<u>104,857</u>
	<u>191,080</u>	<u>165,180</u>

F F ALLSOPP & CO LIMITED
BALANCE SHEET
31 DECEMBER 1996

9 DEBTORS

Debtors comprised:	<u>1996</u>	<u>1995</u>
	£	£
Trade debtors	453,220	466,644
Amounts due from group companies	61,940	10,223
Other debtors	59,627	12,286
Prepayments and accrued income	<u>27,195</u>	<u>47,419</u>
	<u><u>601,982</u></u>	<u><u>536,572</u></u>

10 CREDITORS

Amounts falling due within one year

Creditors comprised:	<u>1996</u>	<u>1995</u>
	£	£
Bank overdraft	27,931	-
Trade creditors	192,463	132,905
Payments received on account	96,204	93,840
Corporation tax	5,971	20,557
Other taxation and social security	25,493	24,377
Obligations under lease and hire purchase contracts	110,880	109,933
Proposed dividends	9,089	15,776
Other creditors	14,787	2,000
Accruals and deferred income	<u>137,101</u>	<u>229,345</u>
	<u><u>619,919</u></u>	<u><u>628,733</u></u>

Amounts falling due after more than one year

Creditors comprised:	<u>1996</u>	<u>1995</u>
	£	£
Obligations under lease and hire purchase contracts	198,012	185,363
Unsecured loan stock	-	12,787
	<u><u>198,012</u></u>	<u><u>198,150</u></u>

Obligations under lease and hire purchase contracts are secured on the assets to which they relate.

F F ALLSOPP & CO LIMITED
BALANCE SHEET
31 DECEMBER 1996

11 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation provision and potential liability comprises:

	<u>1996</u>		<u>1995</u>	
	<u>Provision</u>	Not <u>provided</u>	<u>Provision</u>	Not <u>provided</u>
	£	£	£	£
Accelerated capital allowances	<u>45,000</u>	-	<u>40,750</u>	-

£

The movement on the Deferred Taxation Provision comprises :

At 1 January 1996	40,750
Charge to Profit and Loss Account	<u>4,250</u>
At 31 December 1996	<u><u>45,000</u></u>

12 CALLED UP SHARE CAPITAL

Called up share capital comprised 728,614 allotted, called up and fully paid Deferred Ordinary shares of 1p each and 7,214 allotted, called up and fully paid Ordinary Shares of 1p each.

The authorised share capital of the company throughout the year was £10,000 divided into 728,614 Deferred Ordinary Shares of 1p each and 271,386 Ordinary Shares of 1p each.

13 RESERVES

The movement of reserves during the year was as follows:

	<u>Revalua- tion Reserve</u>	<u>Other reserve</u>	<u>Profit and loss account</u>
	£	£	£
At 1 January 1996	15,017	38,144	412,428
Retained profit for the year	-	-	72,148
Transfer on sale of property	<u>(15,017)</u>	-	<u>15,017</u>
At 31 December 1996	<u><u>-</u></u>	<u><u>38,144</u></u>	<u><u>499,593</u></u>

F F ALLSOPP & CO LIMITED
BALANCE SHEET
31 DECEMBER 1996

14 SHAREHOLDERS' FUNDS

The reconciliation of movements in shareholders' funds was as follows:

	<u>1996</u>	<u>1995</u>
	£	£
Profit for the financial year	81,237	58,350
Dividends	<u>(9,089)</u>	<u>(15,776)</u>
	72,148	42,574
Balance at 1 January 1996	<u>472,947</u>	<u>430,373</u>
Balance at 31 December 1996	<u><u>545,095</u></u>	<u><u>472,947</u></u>

15 LEASE COMMITMENTS

Finance leases and Hire Purchase Contracts

The company had obligations under leases and hire purchase contracts net of finance charges at the balance sheet date as follows:

	<u>1996</u>	<u>1995</u>
	£	£
Payable within one year	110,880	109,933
Payable between two and five years	<u>198,012</u>	<u>185,363</u>
	<u><u>308,892</u></u>	<u><u>295,296</u></u>

16 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary undertaking of and is controlled by Tempmark Limited, a company incorporated in Great Britain.

Transactions with entities that are part of the group are not disclosed as the company has taken advantage of exemptions in FRS8, being a 100% owned subsidiary.

17 CASH FLOW STATEMENT

No cash flow statement has been prepared since the company is exempt from doing so by the provisions of FRS1 being a small company.

18 CAPITAL COMMITMENTS

	<u>1996</u>	<u>1995</u>
	£	£
Contracted for	<u><u>-</u></u>	<u><u>31,400</u></u>

19 CONTINGENT LIABILITIES

The Company has guaranteed the Bank facilities of Tempmark Limited, its parent Company, and Backhurst and Taylor Limited under the terms of a composite cross guarantee effected on 25 September 1996.

F F ALLSOPP & CO LIMITED
MANAGEMENT INFORMATION SCHEDULE A
YEAR ENDED 31 DECEMBER 1996

	<u>1996</u>		<u>1995</u>	
	£	£	£	£
SALES		2,192,166		1,917,981
COST OF SALES				
Opening Stocks	165,179		64,098	
Purchases	337,104		253,397	
Wages and salaries	904,364		851,935	
Rent and rates	29,254		26,735	
Plant hire	1,966		899	
Plant maintenance	72,824		69,041	
Light, heat and water	30,107		33,248	
Depreciation :				
Plant and equipment	97,379		80,946	
Loss/(profit) on disposal	(9,865)		381	
	<u>1,628,312</u>		<u>1,380,680</u>	
Less : Closing stocks	<u>(191,080)</u>		<u>(165,179)</u>	
		<u>(1,437,232)</u>		<u>(1,215,501)</u>
GROSS PROFIT		754,934		702,480
DISTRIBUTION COSTS (See Schedule B)	(220,177)		(224,132)	
ADMINISTRATIVE EXPENSES (See Schedule B)	<u>(405,847)</u>		<u>(358,233)</u>	
		<u>(626,024)</u>		<u>(582,365)</u>
		128,910		120,115
OTHER INCOME				
Income received	219		49	
Grants	1,000		5,000	
OTHER EXPENSES				
Interest payable :				
Bank interest			(81)	
Hire purchase interest	(29,842)		(40,722)	
Other interest	<u>(5,800)</u>		<u>(3,000)</u>	
		<u>(34,423)</u>		<u>(38,754)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>94,487</u>		<u>81,361</u>

F F ALLSOPP & CO LIMITED
MANAGEMENT INFORMATION SCHEDULE B
YEAR ENDED 31 DECEMBER 1996

	<u>1996</u>	<u>1995</u>
	£	£
DISTRIBUTION COSTS		
Wages and salaries	82,708	80,483
Rent and rates	8,126	12,539
Insurance	22,619	19,351
Light, heat and water	3,542	3,911
Advertising	3,610	3,005
Motor expenses	12,439	12,973
Travelling and entertaining	10,292	10,437
Carriage outwards	75,702	72,986
Bad and doubtful debts	(4,705)	(72)
Depreciation : Motor vehicles	5,844	8,519
	<u>220,177</u>	<u>224,132</u>
ADMINISTRATIVE EXPENSES		
Rent and rates	3,250	5,015
Insurance	8,351	7,939
Light, heat and water	1,771	1,956
Wages and salaries	186,062	155,606
Directors' remuneration	81,713	83,995
Directors' pension scheme	23,734	21,240
Stationery and postage	13,960	15,841
Subscriptions and donations	5,126	4,482
Telephone	7,217	7,512
Welfare & Cleaning	13,546	12,884
Computer maintenance	7,128	5,268
Audit and accountancy	3,625	3,625
Legal and professional fees	17,800	12,120
Management charge	22,000	-
Bank charges	4,599	4,917
General expenses	8,313	6,110
Building repairs	5,810	3,630
Depreciation : Fixtures and fittings	6,842	6,093
Profit on disposal of fixed assets	(35,000)	-
Reorganisation provision	20,000	-
	<u>405,847</u>	<u>358,233</u>