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Registered number: 233722

HART & CLOUGH LTD
ABBREVIATED FINANCIAL STATEMENTS
30 SEPTEMBER 1999

STUART B LODGE & CO.
CHARTERED ACCOUNTANTS
Bradford



HART & CLOUGH LTD

ABBREVIATED FINANCIAL STATEMENTS

for the Year ended 30 September 1999

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HART & CLOUGH LTD**COMPANY INFORMATION****30 September 1999**

INCORPORATED	In England and Wales on 1 October 1928.
NUMBER	233722
DIRECTORS	Mrs B A H Clough P M Clough R M Clough
SECRETARY	P M Clough
REGISTERED OFFICE	Summerville Road Bradford West Yorkshire BD7 1PZ
BANKERS	Royal Bank of Scotland 45 Bank Street Bradford West Yorkshire BD1 1TS
SOLICITORS	Gordons Wright & Wright 14 Piccadilly Bradford West Yorkshire BD1 3LX
AUDITORS	Stuart B Lodge & Co. Chartered Accountants Registered Auditor 44 Bradford Road Idle Bradford BD10 9PE

HART & CLOUGH LTD**DIRECTORS' REPORT****30 September 1999**

The directors present their report and the abbreviated financial statements for the year ended 30 September 1999.

Principal activity

The principal activity of the company during the year was that of general printers. The principal activities of its subsidiaries are shown in Note 11.

Business review

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £830,026.

Results and dividends

The results for the year are shown in the profit and loss account on page 5. An ordinary dividend amounting to £21,507 is proposed.

Fixed assets

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 9.

Directors

The directors of the company during the Year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	30 September 1999	1 October 1998
	Ordinary	Ordinary
	shares	shares
Mrs B A H Clough	1	1
P M Clough	815	815

R M Clough was appointed a director of the company on 1 October 1999.

Future Developments

Subsequent to the year end the company, acquired new premises for itself and its subsidiary, Amadeus Press Ltd. This will ensure that we can continue to improve the range and quality of services available to our customers.

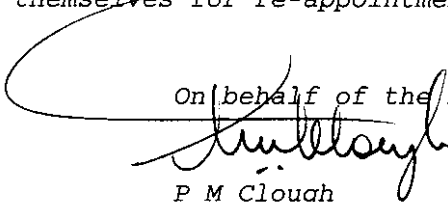
Charitable and political donations

Payments of a charitable nature made during the Year amounted to £1,376.

Auditors

Stuart B Lodge & Co. have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board


P M Clough
Secretary

HART & CLOUGH LTD**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 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 to 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.

On behalf of the board


Mrs B A H Clough
Director

HART & CLOUGH LTD**Auditors' report to
Hart & Clough Ltd
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 5 to 19, 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 financial statements in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the financial statements 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 financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages are properly prepared in accordance with those provisions.



Stuart B Lodge & Co.
Registered Auditor
Chartered Accountants

Bradford

December 1999

HART & CLOUGH LTD

ABBREVIATED PROFIT AND LOSS ACCOUNT

for the Year ended 30 September 1999

	Note	1999 £	1998 £
Gross profit		518,793	555,410
Net operating expenses			
Distribution costs		(32,881)	(32,141)
Administrative expenses		(457,362)	(452,640)
Other operating income		30,000	30,000
Operating profit	3	58,550	100,629
Investment income	5	46,505	45,619
Interest payable	6	(13,712)	(17,744)
Profit on ordinary activities before taxation		91,343	128,504
Taxation	7	(14,840)	(25,639)
Profit on ordinary activities after taxation		76,503	102,865
Dividends	8	(21,507)	(21,507)
Retained profit for the Year	20	54,996	81,358

Movements in reserves are shown in note 20.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1999 or 1998 other than the profit for the Year.

HART & CLOUGH LTD

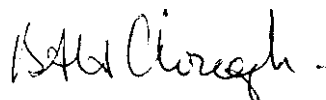
ABBREVIATED BALANCE SHEET

at 30 September 1999

	Note	1999		1998	
		£	£	£	£
Fixed assets					
Tangible assets	9	407,506		465,482	
Investments	11	354,593		354,593	
		<u>762,099</u>		<u>820,075</u>	
Current assets					
Stocks	12	35,304		45,074	
Debtors	13	458,066		258,076	
Cash at bank and in hand		233,246		327,413	
		<u>726,616</u>		<u>630,563</u>	
Creditors: amounts falling due within one year	14	(495,286)		(485,324)	
Net current assets		<u>231,330</u>		<u>145,239</u>	
Total assets less current liabilities		<u>993,429</u>		<u>965,314</u>	
Creditors: amounts falling due after more than one year	15	(151,809)		(181,990)	
Provision for liabilities and charges	16	(11,594)		(8,294)	
		<u>830,026</u>		<u>775,030</u>	
Capital and reserves					
Called up share capital	19	3,076		3,076	
Profit and loss account	20	826,950		771,954	
Total shareholders' funds	18	<u>830,026</u>		<u>775,030</u>	

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The abbreviated financial statements on pages 5 to 19 were approved by the board of directors on 16 December 1999 and signed on its behalf by:



Mrs B A H Clough
Director

HART & CLOUGH LTD

CASH FLOW STATEMENT

for the Year ended 30 September 1999

	Note	1999		1998	
		£	£	£	£
Net cash inflow from operating activities	22		38,767		318,471
Returns on investments and servicing of finance					
Interest received		20,374		14,019	
Interest paid		(3,938)		(5,344)	
Interest element of finance lease rental payments		(9,774)		(12,400)	
Dividends received		20,000		19,600	
Other returns		6,131		12,000	
			32,793		27,875
Taxation					
Corporation tax paid			(24,833)		(8,573)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(156,803)		(34,949)	
Sale of tangible fixed assets		94,500		7,500	
			(62,303)		(27,449)
			(15,576)		310,324
Equity dividends paid			(21,507)		(21,507)
			(37,083)		288,817
Financing					
Debt due within a year:					
Other loan repayments		(7,604)		(12,731)	
Debt due beyond a year:					
Other loan repayments		(480)		(92)	
Capital element of finance lease rentals		(49,000)		(47,602)	
			(57,084)		(60,425)
(Decrease)/increase in cash			(94,167)		228,392

HART & CLOUGH LTD**NOTES ON ABBREVIATED FINANCIAL STATEMENTS****30 September 1999****1 Accounting policies****Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land and buildings	1% Straight line
Leasehold land and buildings	Not provided
Plant and machinery	15% Straight Line
Motor vehicles	25% Straight Line
Fixtures and fittings	20% Straight Line

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

2 Turnover

The turnover for the Year was derived from the company's principal activity. The whole of the turnover is attributable to the UK market.

3 Operating profit

	1999 £	1998 £
Operating profit is stated after crediting:		
Profit on sale of assets	12,899	5,193
and after charging:		
Staff costs (note 4)	544,412	526,121
Auditors' remuneration	3,800	3,800
Loss on sale of assets	8,000	-
Depreciation of tangible fixed assets (note 9):		
Owned assets	50,786	49,458
Leased assets	33,026	28,958
	83,812	78,416

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

4 Directors and employees

	1999 £	1998 £
Staff costs including directors' emoluments		
Wages and salaries	462,025	450,105
Social security costs	49,283	43,666
Pension costs	33,104	32,350
	<u>544,412</u>	<u>526,121</u>

	Number	Number
Average monthly number employed including executive directors:		
Production Staff	15	15
Office and management	2	2
Administration	6	6
	<u>23</u>	<u>23</u>

	£	£
Directors		
Emoluments	71,409	72,166
Company contributions to money purchase pension schemes	12,779	10,754
	<u>84,188</u>	<u>82,920</u>

	Number	Number
During the Year the following number of directors:		
Accrued retirement benefits under:		
Money purchase pension schemes	1	1

Defined contribution pension scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £33,104 (1998 £32,350) including contributions in respect of employees.

Contributions totalling £0 (1998 £432) were payable to the fund at 30 September 1999 and are included in creditors.

5 Investment income

	1999 £	1998 £
Interest receivable	20,374	14,019
Shares in group undertakings	20,000	19,600
Other non-trading income	6,131	12,000
	<u>46,505</u>	<u>45,619</u>

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

6 Interest payable

	1999 £	1998 £
Bank interest	22	-
Other interest	3,916	5,344
Hire purchase interest	9,774	12,400
	<u>13,712</u>	<u>17,744</u>

7 Taxation

	1999 £	1998 £
Corporation tax on profit on ordinary activities at 21% (1998 22.5%)	11,540	24,698
Deferred taxation	3,300	157
	<u>14,840</u>	<u>24,855</u>
Under provision in earlier years	-	784
	<u>14,840</u>	<u>25,639</u>

8 Dividends

	1999 £	1998 £
Equity - ordinary/interim	<u>21,507</u>	<u>21,507</u>

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

9 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Land and Buildings £	Total £
1 October 1998	141,999	869,235	63,813	249,762	1,324,809
Additions	82,038	-	33,399	-	115,437
Disposals	(74,916)	-	(63,813)	(73,000)	(211,729)
30 September 1999	149,121	869,235	33,399	176,762	1,228,517
Depreciation					
1 October 1998	72,147	717,519	54,926	14,735	859,327
Charge for the Year	36,244	32,738	13,062	1,768	83,812
Disposals	(58,315)	-	(63,813)	-	(122,128)
30 September 1999	50,076	750,257	4,175	16,503	821,011
Net book amount					
30 September 1999	99,045	118,978	29,224	160,259	407,506
1 October 1998	69,852	151,716	8,887	235,027	465,482

Included in the above fixed assets is plant, machinery and motor vehicles acquired under hire purchase contracts with a net book value of £92,754 (1998 £138,822) and historical cost of £250,781 (1998 £200,535). On which, during the year depreciation was charged of £33,026 (1997 £28,958).

10 Land and buildings

	1999 £	1998 £
Freehold	160,259	162,027
Long leasehold	-	73,000
	160,259	235,027

Long leaseholds are those leaseholds with more than 50 years unexpired

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

11 Fixed asset investments

	Woods (Bradford) Ltd £	Allanwood Press Ltd £	Amadeus Press Ltd £	Total £
Ordinary Shares				
Cost and Book Value				
1 October 1998				
and at				
30 September 1999	177,276	10,000	167,316	354,592
Percentage of capital held	100%	100%	100%	
Nature of Business	Print finishers	Dormant	Printers	
Capital & Reserves	£272,633	£10,539	£629,314	
Profit/(loss) for year	£(28,579)	Dormant	£69,231	

12 Stocks

	1999 £	1998 £
Work in Progress	14,322	27,016
Consumable stock	20,982	18,058
	35,304	45,074

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

13 Debtors

	1999 £	1998 £
Amounts falling due within one year		
Trade debtors	338,641	233,370
Amounts owed by group undertakings	-	17,043
Prepayments and accrued income	119,425	7,663
	<u>458,066</u>	<u>258,076</u>

14 Creditors: amounts falling due within one year

	1999 £	1998 £
Trade creditors	99,057	55,650
Other loans	8,698	7,604
Amounts owed to group undertakings	236,485	273,113
Corporation tax	11,405	24,698
Other taxation and social security	21,157	17,093
Other creditors	4,390	1,390
Accruals and deferred income	57,809	64,845
Obligations under finance leases and hire purchase contracts - note 15	56,285	40,931
	<u>495,286</u>	<u>485,324</u>

Included within trade creditors, is amounts for goods supplied under retention of title clauses.

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

15 Creditors: amounts falling due
after more than one year

	1999 £	1998 £
Other liabilities		
Other loans	36,849	46,027
Other creditors	62,974	70,757
Obligations under finance leases and hire purchase contracts	51,986	65,206
	<u>151,809</u>	<u>181,990</u>

Maturity of debt

In one year or less, or on demand - see note 14	8,698	7,604
In more than one year but not more than two years	9,412	8,304
In more than two years but not more than five years	27,437	29,786
In more than five years	-	7,937
	<u>45,547</u>	<u>53,631</u>

**Amounts falling due
after more than five years:**

Other loans	-	7,937
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**Obligations under finance leases
and hire purchase contracts**

These are repayable over varying periods
by monthly instalments as follows:

In the next year - see note 14	56,285	40,931
In the second to fifth years	51,986	65,202
	<u>108,271</u>	<u>106,133</u>

16 Provision for liabilities and charges

**Deferred
tax
£**

1 October 1998	8,294
Profit and loss account	3,300
30 September 1999	<u>11,594</u>

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

17 Deferred taxation

	1999		1998	
	Amount unprovided	Amount provided	Amount unprovided	Amount provided
	£	£	£	£
Corporation tax deferred by				
Capital allowances in excess of depreciation	-	11,594	-	9,554
Other timing differences	-	-	-	(1,260)
	<u>-</u>	<u>11,594</u>	<u>-</u>	<u>(1,260)</u>
	<u>-</u>	<u>11,594</u>	<u>-</u>	<u>8,294</u>

Deferred taxation is based on a corporation tax rate of 20% (1998 21%).

18 Reconciliation of movements in shareholders' funds

	1999 £	1998 £
Profit for the financial Year	76,503	102,865
Dividends	<u>(21,507)</u>	<u>(21,507)</u>
Net addition to shareholders' funds	54,996	81,358
Opening shareholders' funds	<u>775,030</u>	<u>693,672</u>
Closing shareholders' funds	<u>830,026</u>	<u>775,030</u>

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

19 Called up share capital

	1999		1998	
	Number of shares	£	Number of shares	£
Authorised				
£1 ordinary shares	5,000	5,000	5,000	5,000
Allotted, called up and fully paid				
£1 ordinary shares	3,076	3,076	3,076	3,076

20 Profit and loss account

	1999 £
1 October 1998	771,954
Retained profit for the Year	54,996
30 September 1999	826,950

21 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 30th September 1999

	1999 Land and Buildings £	1998 Land and Buildings £
Expiring		
After five years	-	3,375
	-	3,375

Capital Commitments

The company has authorised capital purchases of £1,017,500, of which £997,500 had been contracted for at the 30th September 1999.

Year 2000 Issues

The company has reviewed its business in respect of foreseeable risks, which may be incurred at the millenium. It has upgraded systems, which were not compliant. The company is not expecting any further remedial action to be required.

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

22 Notes to the cash flow statement

Reconciliation of operating profit
to operating cash flows

	1999 £	1998 £
Operating profit	58,550	100,629
Depreciation charges	83,812	78,416
Profit on sale of fixed assets	(4,899)	(5,193)
Decrease/(increase) in stocks	9,770	(5,671)
(Increase)/decrease in debtors	(107,490)	66,286
(Decrease)/increase in creditors	(976)	84,004
Net cash inflow		
from operating activities	<u>38,767</u>	<u>318,471</u>

HART & CLOUGH LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1999

23 Notes to the cash flow statement (continued)

Analysis of changes in net debt

	At start of year £	Cash flows £	Other changes £	At end of year £
Cash at bank and in hand	327,413	(94,167)	-	233,246
		(94,167)		
Debt due within 1 year	(7,604)	7,604	(8,698)	(8,698)
Debt due after 1 year	(46,027)	480	8,698	(36,849)
Finance leases	(106,137)	49,000	(51,134)	(108,271)
		57,084		
Total	167,645	(37,083)	(51,134)	79,428

Reconciliation of net cash flow to movement in net debt

	1999 £	1998 £
(Decrease)/increase in cash in the Year	(94,167)	210,393
Cash outflow from decrease in debt and lease financing	57,084	60,425
Change in net debt resulting from cash flows	(37,083)	270,818
New finance leases	(51,134)	(11,950)
Movement in net debt in the Year	(88,217)	258,868
Net debt at 1 October 1998	167,645	(91,223)
Net debt at 30 September 1999	79,428	167,645

24 Related parties

Amounts owed to group undertakings are shown under creditors (note 15 and 16). During the year the company derived income (excluding dividends) from group undertakings of £91,934.