

Mastermailer Stationery Limited

Report and Abbreviated Financial Statements

Year Ended

30 June 2005



BDO

BDO Stoy Hayward
Chartered Accountants

Mastermailer Stationery Limited

Abbreviated financial statements for the year ended 30 June 2005

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Directors

C Black
S Black
C Sandison

Secretary

E Stokes

Registered office

Units D & E, Trecenydd Industrial Estate, Caerphilly, CF83 2RZ

Company number

4187229

Auditors

BDO Stoy Hayward LLP, 1 Victoria Street, Bristol, BS1 6AA

Mastermailer Stationery Limited

Report of the independent auditors

Independent auditors' report to Mastermailer Stationery Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 7 together with the financial statements of the company for the year ended 30 June 2005 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 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 financial statements prepared in accordance with sections 246(5) and (6) 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We have carried out the procedures we consider 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 did 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 sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 2 to 7 are properly prepared in accordance with those provisions.



BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors
Bristol*

Date: 1/6/06

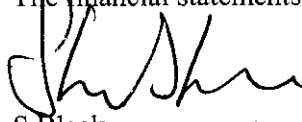
Mastermailer Stationery Limited

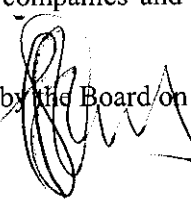
Balance sheet at 30 June 2005

	Note	2005 £	2005 £	2004 £	2004 £
Fixed assets					
Intangible assets	2		178,473		131,881
Tangible assets	3		10,850		14,466
			<u>189,323</u>		<u>146,347</u>
Current assets					
Stocks		43,148		39,845	
Debtors		127,125		153,333	
Cash at bank and in hand		866		14,300	
		<u>171,139</u>		<u>207,478</u>	
Creditors: amounts falling due within one year		<u>808,026</u>		<u>837,308</u>	
Net current liabilities			<u>(636,887)</u>		<u>(629,830)</u>
Total assets less current liabilities			<u>(447,564)</u>		<u>(483,483)</u>
Creditors: amounts falling due after more than one year	4		<u>416,272</u>		<u>579,047</u>
			<u>(863,836)</u>		<u>(1,062,530)</u>
Capital and reserves					
Called up share capital	5		802,400		802,400
Profit and loss account			(1,666,236)		(1,864,930)
Shareholders' funds			<u>(863,836)</u>		<u>(1,062,530)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on

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S Black
Director


C Sandison
Director

17th July 2006

The notes on pages 3 to 6 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Going concern

The accounts have been prepared on the basis of that the company will continue as a going concern for the foreseeable future. The company has taken action to reduce its fixed costs and overheads and entered into a supply agreement such that goods for resale would be provided to the company on favourable commercial terms. The directors have prepared projected cash flow information for the period ending 30 June 2008, on the basis of this information, the directors are satisfied that the company should be able to continue to trade profitably in the future and has adequate resources to meet its working capital requirements.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Fixtures, fittings and equipment - 25% reducing balance

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal instalments over their estimated useful life of 20 years.

Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

If certain circumstances are such that the grant may become repayable, the liability is included within creditors in accordance with Financial Reporting Standard 12.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Mastermailer Stationery Limited

Notes forming part of the financial statements for the year ended 30 June 2005 (*Continued*)

1 Accounting policies (*continued*)

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted

2 Intangible assets

	Total £
<i>Cost or valuation</i>	
At 1 July 2004	154,441
Additions	57,172
	<hr/>
At 30 June 2005	211,613
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<i>Amortisation</i>	
At 1 July 2004	22,560
Provided for the year	10,580
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At 30 June 2005	33,140
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<i>Net book value</i>	
At 30 June 2005	178,473
	<hr/>
At 30 June 2004	131,881
	<hr/>

Mastermailer Stationery Limited

Notes forming part of the financial statements for the year ended 30 June 2005 (*Continued*)

3 Tangible fixed assets

	Total £
<i>Cost</i>	
At 1 July 2004 and 30 June 2005	31,211
<i>Depreciation</i>	
At 1 July 2004	16,745
Provided for the year	3,616
At 30 June 2005	20,361
<i>Net book value</i>	
At 30 June 2005	10,850
At 30 June 2004	14,466

Mastermailer Stationery Limited

Notes forming part of the financial statements for the year ended 30 June 2005 (Continued)

4 Creditors: amounts falling due after more than one year

Included in creditors are total debts of £226,938 (2004 - £270,597) which are secured on assets of the company.

No creditors fall due for payment after more than five years.

5 Share capital

	2005	Authorised 2004	Allotted, called up and fully paid	
	£	£	2005	2004
			£	£
2,400 ordinary shares of £1 each	2,400	2,400	2,400	2,400
800,000 preference shares of £1 each	800,000	800,000	800,000	800,000
	<u>802,400</u>	<u>802,400</u>	<u>802,400</u>	<u>802,400</u>

The preference shares carry no dividend rights. on winding up of the company the holder is entitled to receive the par value of the shares.

6 Loans and transactions concerning directors and officers of the company

Mr C Sandison, a director of the company, is principal of Sandison & Co. Included within administrative expenses is £Nil (2004 - £115,125) due to Sandison & Co for professional services. £152,505 (2004 - £209,080) was outstanding as at 30 June 2005 and has been included in other creditors.

The director S Black, paid expenses of £12,358 on behalf of the company (2004 - the company paid £12,062 on behalf of the director). As at 30 June 2005 £498 (2004 -£11,860 debtor) was due to S Black a director of the company. This amount is included in other creditors (2004 - other debtors)