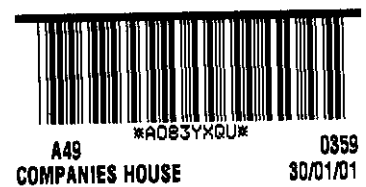


PHOTOLIT PRINTING LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 AUGUST 2000**

REGISTERED NUMBER: 1751021



PHOTOLIT PRINTING LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2000**

Contents	Pages
Company information	1
Director's report	2
Profit and loss account	3
Balance sheet	4 - 5
Notes to the financial statements	6 - 10
 The following pages do not form part of the statutory financial statements	
Detailed profit and loss statement	11 - 12

PHOTOLIT PRINTING LIMITED

**COMPANY INFORMATION
AT 31 AUGUST 2000**

DIRECTOR

J Saunders

SECRETARY

D Saunders

REGISTERED OFFICE

19 Market Place
Olney
Bucks
MK46 4BA

BUSINESS ADDRESS

Unit 5
Beaumont Works
Sutton Road
St Albans
Herts
AL1 5HH

ACCOUNTANTS

Mercer & Hole
Chartered Accountants
19 Market Place
Olney
Bucks
MK46 4BA

PRINCIPAL BANKERS

Natwest Bank Plc
10 St Peters Street
St Albans
Herts
AL1 3LY

PHOTOLIT PRINTING LIMITED

DIRECTOR'S REPORT

The director presents his annual report with the financial statements of the company for the year ended 31 August 2000.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were:

REVIEW OF THE BUSINESS

The net loss after providing for taxation amounted to £1,430.

The director consider the results achieved on activities to be satisfactory in the light of current trading conditions. The financial position at the Balance Sheet date was also satisfactory.

INTRODUCTION OF THE SINGLE EUROPEAN CURRENCY

The introduction of the Single European Currency has not had any significant impact on the business. The director does not anticipate that the company will incur any material costs as the result of this issue in the foreseeable future.

DIRECTOR AND HIS INTERESTS

The director in office in the year and his beneficial interest in the company at the balance sheet date and the beginning of the year (or on appointment if later) was as follows:

		Number of Shares	
		2000	1999
J Saunders	Ordinary £1	180	90

Directors retired during the year:
R Herring (Died 14 October 2000)

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

Signed by:



J Saunders
Director

Date: 24/1/01

PHOTOLIT PRINTING LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2000**

	Notes	2000 £	1999 £
TURNOVER	2	184,831	181,177
Cost of sales		126,023	127,162
GROSS PROFIT		58,808	54,015
Administrative expenses		59,828	52,420
OPERATING (LOSS) / PROFIT	3	(1,020)	1,595
Interest payable and similar charges	4	(410)	(266)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,430)	1,329
Tax on (loss) / profit on ordinary activities	6	-	-
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(1,430)	1,329
Dividends		(3,000)	-
(ACCUMULATED LOSS) / RETAINED PROFIT FOR THE FINANCIAL YEAR	14	(4,430)	1,329
RETAINED PROFIT BROUGHT FORWARD	14	22,162	20,833
RETAINED PROFIT CARRIED FORWARD		17,732	22,162

Continuing operations

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

Total recognised gains and losses

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 10 form part of these financial statements.

PHOTOLIT PRINTING LIMITED

**BALANCE SHEET
AT 31 AUGUST 2000**

		2000		1999	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	7		20,303		19,302
CURRENT ASSETS					
Stocks	8	3,452		5,000	
Debtors	9	47,468		70,608	
Cash at bank and in hand		22		32	
		50,942		75,640	
CREDITORS: amounts falling due within one year	10	(53,413)		(71,925)	
NET CURRENT (LIABILITIES) / ASSETS			(2,471)		3,715
TOTAL ASSETS LESS CURRENT LIABILITIES			17,832		23,017

The notes on pages 6 to 10 form part of these financial statements.

PHOTOLIT PRINTING LIMITED

**BALANCE SHEET
AT 31 AUGUST 2000**

		2000	1999
	Notes	£	£
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Profit and loss account	14	17,732	22,917
TOTAL SHAREHOLDERS' FUNDS	15	17,832	23,017

The director has taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirms that no notice has been deposited under section 249B(2) of the Companies Act 1985. The director acknowledges his responsibilities for ensuring that:

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 31 August 2000 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved on24/1/01..... and signed by:

.....

J Saunders
Director

The notes on pages 6 to 10 form part of these financial statements.

PHOTOLIT PRINTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2000

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Plant and machinery	25% reducing balance
Office furniture and fittings	25% reducing value
Computer equipment	33.3% reducing balance
Motor vehicles	25% reducing balance

Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

2. TURNOVER

Turnover is attributable to the one principal activity of the company and arose wholly in the United Kingdom.

PHOTOLIT PRINTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2000**

3. OPERATING (LOSS) / PROFIT

Operating (loss) / profit is stated	2000	1999
	£	£
After charging:		
Depreciation of fixed assets	7,100	5,181
Operating lease rentals		
Land and buildings	8,315	8,524
After crediting:		
Profit on disposal of tangible assets	-	12,515

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2000	1999
	£	£
On bank loans and overdrafts	410	266

5. INFORMATION ON DIRECTOR AND EMPLOYEES

	2000	1999
	£	£
Staff costs		
Wages and salaries	26,498	31,609

	2000	1999
	£	£
Director's emoluments		
Emoluments, including pension contributions to money purchase (defined contribution) schemes	26,498	31,609

6. TAX ON LOSS ON ORDINARY ACTIVITIES

2000	1999
£	£

There is no liability to corporation tax in the year.

PHOTOLIT PRINTING LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2000****7. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost:				
At 1 September 1999	-	4,569	22,555	27,124
Additions	5,104	2,996	-	8,100
At 31 August 2000	5,104	7,565	22,555	35,224
Depreciation:				
At 1 September 1999	4,699	3,123	-	7,822
Charge for year	1,276	1,359	4,464	7,099
At 31 August 2000	5,975	4,482	4,464	14,921
Net book value:				
At 31 August 2000	(871)	3,083	18,091	20,303
At 31 August 1999	(4,699)	1,446	22,555	19,302

8. STOCKS

	2000 £	1999 £
Finished goods and goods for resale	3,452	5,000

9. DEBTORS

	2000 £	1999 £
Trade debtors	42,413	59,135
Other debtors	5,055	11,473
	47,468	70,608

PHOTOLIT PRINTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2000**

10. CREDITORS: amounts falling due within one year

	2000	1999
	£	£
Bank loans and overdrafts	14,166	17,193
Trade creditors	22,310	36,692
Taxation and social security	1,109	-
Other creditors	15,828	18,040
	<u>53,413</u>	<u>71,925</u>

Bank overdrafts amounting to £9,563 (1999 £nil) are secured by a floating charge on all the assets of the company.

11. BORROWINGS

	2000	1999
	£	£
The company's borrowings are repayable as follows		
Up to one year and on demand	<u>14,166</u>	<u>17,193</u>

12. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	2000	1999
	£	£
The company's obligations are repayable as follows:		
Net obligations analysed as follows:		
Included in creditors - amounts falling due within one year	<u>14,628</u>	<u>18,040</u>

PHOTOLIT PRINTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2000**

13. SHARE CAPITAL

	2000 £	1999 £
Authorised:		
Equity interests:		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid:		
Equity interests:		
100 Ordinary shares of £1 each	100	100

14. PROFIT AND LOSS ACCOUNT

	2000 £	1999 £
Retained profit as at 1 September 1999	22,162	20,833
(Loss) / profit for the year	(4,430)	1,329
Retained profit as at 31 August 2000	17,732	22,162

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
(Loss) / profit for the year	(1,430)	1,329
Dividends	(3,000)	-
Net (reduction) / addition to shareholders' funds	(4,430)	1,329
Opening shareholders' funds	22,262	20,933
Closing shareholders' funds	17,832	22,262
Represented by:-		
Equity interests	17,832	22,262