

SANDHURST AUTOPRINT LIMITED

FINANCIAL STATEMENTS

31ST JULY 2000

Registered number: 3443003

STEWART & CO.

CHARTERED ACCOUNTANTS

Camberley



SANDHURST AUTOPRINT LIMITED

FINANCIAL STATEMENTS

for the year ended 31st July 2000

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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SANDHURST AUTOPRINT LIMITED**COMPANY INFORMATION****31st July 2000**

INCORPORATED	1st October 1997
NUMBER	3443003
DIRECTORS	T.M. Sanders S.W.J. Dear
SECRETARY	T.M. Sanders
REGISTERED OFFICE	Knoll House Knoll Road Camberley Surrey GU15 3SY
BANKERS	National Westminster Bank plc PO Box 17 33 High Street High Wycombe Bucks HP11 2AJ
AUDITORS	Stewart & Co. Chartered Accountants Knoll House Knoll Road Camberley GU15 3SY

SANDHURST AUTOPRINT LIMITED

DIRECTORS' REPORT

31st July 2000

The directors present their report and the audited financial statements for the year ended 31st July 2000.

Principal activity

The principal activity of the company is that of number plate manufacturers and lessors of number plate manufacturing equipment.

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:

	31st July 2000 Ordinary shares	1st August 1999 Ordinary shares
T.M. Sanders	26,970	51
S.W.J. Dear	23,030	49

Share capital

On 22nd March 2000, the authorised share capital was increased to £250,000, represented by Ordinary Shares of £1 each.

Subsequently, the issued share capital was increased by £49,900, following the capitalisation of accumulated reserves and the allotment of new shares for cash. The shares issued were at par value.

Auditors

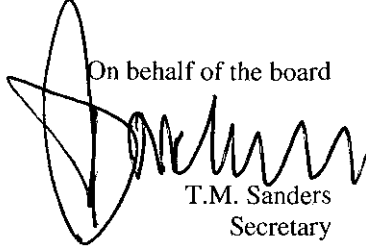
Stewart & Co. have agreed to offer themselves for re-appointment as auditors of the company.

Small company exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Knoll House
Knoll Road
Camberley
Surrey
GU15 3SY

7th December 2000

On behalf of the board

T.M. Sanders
Secretary

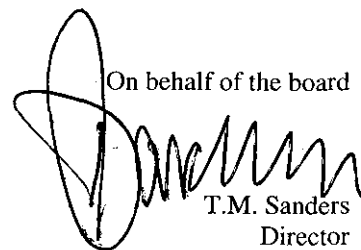
SANDHURST AUTOPRINT LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 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.

7th December 2000

On behalf of the board

T.M. Sanders
Director

SANDHURST AUTOPRINT LIMITED**AUDITORS' REPORT****Auditors' report to the members of****Sandhurst Autoprint Limited**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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 issued by the Auditing Practices Board. 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 error or other irregularity. 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 the company's affairs as at 31st July 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Camberley
7th December 2000

Stewart & Co.
Registered Auditor
Chartered Accountants

SANDHURST AUTOPRINT LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st July 2000

	Note	2000 £	1999 £
Turnover	2	983,822	599,831
Cost of sales		(620,632)	(385,442)
Gross profit		363,190	214,389
Net operating expenses			
Administrative expenses		(302,121)	(166,305)
Operating profit	3	61,069	48,084
Interest payable	5	(5,974)	(3,003)
Profit on ordinary activities before taxation		55,095	45,081
Taxation	6	(8,057)	(7,844)
Profit on ordinary activities after taxation retained for the year	15	47,038	37,237

Movements in reserves are shown in note 15.

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

There were no recognised gains and losses in 2000 or 1999 other than the profit for the year.

SANDHURST AUTOPRINT LIMITED

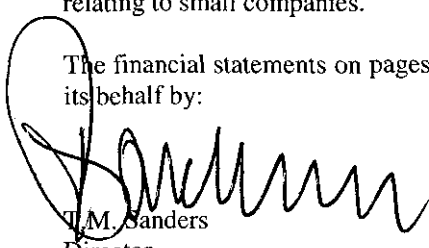
BALANCE SHEET

at 31st July 2000

	Note	2000 £	1999 £
Fixed assets			
Tangible assets	7	210,608	57,046
Current assets			
Stocks	8	130,960	87,781
Debtors	9	235,190	162,630
Cash at bank and in hand		25	-
		<u>366,175</u>	<u>250,411</u>
Creditors: amounts falling due within one year	10	<u>(445,174)</u>	<u>(248,383)</u>
Net current (liabilities)/assets		(78,999)	2,028
Total assets less current liabilities		<u>131,609</u>	<u>59,074</u>
Creditors: amounts falling due after more than one year	11	<u>(33,521)</u>	<u>(11,024)</u>
		<u>98,088</u>	<u>48,050</u>
Capital and reserves			
Called up share capital	14	50,000	100
Profit and loss account	15	48,088	47,950
Total shareholders' funds – all equity interests	13	<u>98,088</u>	<u>48,050</u>

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

The financial statements on pages 5 to 12 were approved by the board of directors on 7th December 2000 and signed on its behalf by:



J.M. Sanders
Director

SANDHURST AUTOPRINT LIMITED**NOTES ON FINANCIAL STATEMENTS****31st July 2000****1 Accounting policies****Basis of accounting**

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

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services 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:

Leasehold land and buildings	Over sixteen years
Plant and machinery	25% per annum on reducing balance
Motor vehicles	25% per annum on reducing balance
Fixtures and fittings	10% per annum on reducing balance

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.

Rentals paid under operating leases are charged to income as incurred.

Stocks

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

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.

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK (1999 nil).

SANDHURST AUTOPRINT LIMITED
NOTES ON FINANCIAL STATEMENTS

31st July 2000

3 Operating profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	4,500	3,500
Operating leases:		
Hire of plant and machinery	2,251	-
Rent	12,122	7,500
	<u>48,942</u>	<u>12,982</u>
Depreciation of tangible fixed assets (note 7):		
Owned assets	39,106	8,200
Leased assets	9,836	4,782
	<u>48,942</u>	<u>12,982</u>
The total amount charged against profits in respect of finance leases and hire purchase contracts is (of which part is shown as depreciation and the balance is shown as interest payable in note 5)	<u>13,459</u>	<u>7,166</u>

4 Directors

	2000	1999
	£	£
Directors' emoluments	38,978	25,540

5 Interest payable

	2000	1999
	£	£
Finance lease and hire purchase contracts	3,623	2,623
Other interest payable	2,351	380
	<u>5,974</u>	<u>3,003</u>

6 Taxation

	2000	1999
	£	£
UK Corporation tax:		
Current tax on income for the period at 20% (1999 20.7%)	8,059	7,844
Adjustments in respect of prior periods	(2)	-

SANDHURST AUTOPRINT LIMITED
NOTES ON FINANCIAL STATEMENTS

31st July 2000

7 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Land and Buildings £	Total £
1st August 1999	24,161	46,105	9,389	-	79,655
Additions	61,500	109,422	6,486	25,096	202,504
31st July 2000	85,661	155,527	15,875	25,096	282,159
Depreciation					
1st August 1999	9,815	10,950	1,844	-	22,609
Charge for the year	9,836	36,133	1,404	1,569	48,942
31st July 2000	19,651	47,083	3,248	1,569	71,551
Net book amount					
31st July 2000	66,010	108,444	12,627	23,527	210,608
1st August 1999	14,346	35,155	7,545	-	57,046

The net book amount of fixed assets includes £66,010 (1999 £14,346) in respect of motor vehicles held under finance leases and hire purchase contracts, the depreciation of which is shown in note 3.

8 Stocks

	2000 £	1999 £
Stocks	130,960	87,781

9 Debtors

	2000 £	1999 £
Amounts falling due within one year		
Trade debtors	231,276	162,111
Prepayments	3,914	519
	235,190	162,630

SANDHURST AUTOPRINT LIMITED

NOTES ON FINANCIAL STATEMENTS

31st July 2000

10 Creditors: amounts falling due within one year

	2000 £	1999 £
Bank overdraft	129,717	65,408
Trade creditors	238,850	126,036
Amounts owed to associated undertakings	35,280	28,521
Corporation tax	8,059	7,844
Other taxation and social security	5,224	7,081
Directors loan	629	3,629
Accruals	4,500	3,770
Obligations under finance leases and hire purchase contracts - note 11	22,915	6,094
	<u>445,174</u>	<u>248,383</u>

The bank overdraft is secured by a mortgage debenture, incorporating a fixed and floating charge over all current and future assets of the company.

The obligations under finance leases and hire purchase contracts are secured on the specific fixed assets to which they relate.

11 Creditors: amounts falling due after more than one year

	2000 £	1999 £
Other liabilities		
Obligations under finance leases and hire purchase contracts	33,521	11,024
	<u>33,521</u>	<u>11,024</u>

Obligations under finance leases and hire purchase contracts

Amounts included above are repayable over varying periods by monthly instalments as follows:

In the next year	22,915	6,094
In the second to fifth years	33,521	11,024
	<u>56,436</u>	<u>17,118</u>

SANDHURST AUTOPRINT LIMITED
NOTES ON FINANCIAL STATEMENTS

31st July 2000

12 Provision for liabilities and charges

Deferred tax not provided for in respect of accelerated capital allowances amounts to £6,678 (1999 £2,971)

13 Reconciliation of movements in shareholders' funds

	2000	1999
	£	£
Profit for the financial year	47,038	37,237
New share capital subscribed	3,000	-
Net addition to shareholders' funds	50,038	37,237
Opening shareholders' funds	48,050	10,813
Closing shareholders' funds	98,088	48,050

14 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary Shares of £1 each	250,000	250,000	1,000	1,000
Allotted, called up and fully paid				
Ordinary Shares of £1 each	50,000	50,000	100	100

During the year, £49,900 of ordinary £1 shares were issued, through the capitalisation of accumulated reserves and the allotment of new shares for cash. The shares were issued at par value.

15 Profit and loss account

	2000
	£
1st August 1999	47,950
Retained profit for the year	47,038
Bonus share issue	(46,900)
31st July 2000	48,088

SANDHURST AUTOPRINT LIMITED**NOTES ON FINANCIAL STATEMENTS****31st July 2000****16 Related parties**

T.M. Sanders, a company director, is also a director and controlling shareholder of Vulcan Motors Limited and Longdown Developments Limited.

At the year end the company owed Longdown Developments Limited £35,280 (1999: £28,521).

Expenses are recharged amongst the related companies to arrive at the correct apportionment of overheads. Work done between the companies is carried out in the ordinary course of the business at market rates.

The company is controlled by T.M. Sanders. At the year end, T.M. Sanders was owed £629 (1999: £3,629) in the form of a non-interest bearing director's loan account.