

3561908

DIRECT PUBLICITY UK LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MAY 2000

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DIRECT PUBLICITY UK LIMITED

1.

DIRECTORS AND OFFICERS

DIRECTORS

M A Baldwin

SECRETARY

Mrs A Baldwin

REGISTERED OFFICE

High Street
Ston Easton
Bath
BA3 4DH

ACCOUNTANTS

Mark N Bijok & Associates
Unit 34, Old Mills
Paulton
Bristol
BS39 7SU

BANKERS

National Westminster Bank Plc
PO Box 1680
Bath
BA1 3TJ

COMPANY NUMBER

3561908

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MAY 2000

The director presents his annual report and the financial statements for the company for the year ended 31st May 2000.

PRINCIPAL ACTIVITIES

The principal activity of the company is the sale of promotional products and the development and distribution of concrete products.

RESULTS AND REVIEW OF THE BUSINESS

The turnover and results are shown in greater detail on page 6 of these financial statements.

Interim dividends were declared of £200 per share on 5th April 2000. The director does not recommend payment of a further dividend.

DIRECTORS

The directors who served during the year and their interests (including family interests) in the companys' issued ordinary share capital were as follows:

	£1 Ordinary Shares	

SHAREHOLDERS	31.5.2000	31.5.1999
M A Baldwin	100	100

FIXED ASSETS

The movements in the companys' fixed assets are set out in the notes to the accounts.

REPORT OF THE DIRECTORS (CONTINUED)

FOR THE YEAR ENDED 31ST MAY 2000

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company as at the end of the financial year and of the profit and loss of the company for that period. In preparing those accounts the directors are required to:

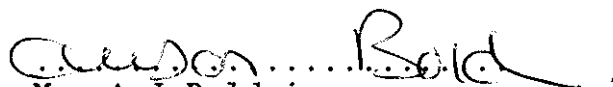
- a) select suitable accounting policies and then apply them consistently.
- b) make judgements and estimates that are reasonable and prudent.
- c) follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act. 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.

SMALL COMPANY RULES

These accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the board on 3rd July 2000 and signed on its behalf.


Mrs A J Baldwin
Secretary

High Street
Ston Easton
Bath
BA3 4DH

ACCOUNTANTS REPORT ON THE UNAUDITED ACCOUNTS

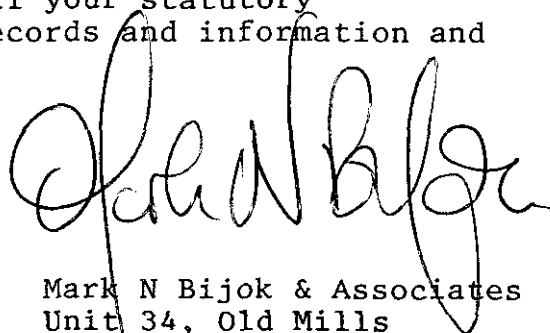
4.

TO THE DIRECTORS OF DIRECT PUBLICITY UK LIMITED

FOR THE YEAR ENDED 31ST MAY 2000

As described in the Director's Report, you are responsible for the preparation of the accounts set out on page 5 to 11 and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Mark N Bijok & Associates
Unit 34, Old Mills
Paulton
Bristol
BS39 7SU

3rd July 2000

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31ST MAY 2000

Historical cost convention

The accounts are prepared under the historical cost convention.

Accounting Principles

In accordance with the Companies Act 1985, the accounts have been prepared using the following fundamental accounting principles:

- a) A presumption that the company is a going concern;
- b) Consistency in accounting policies from one year to the next;
- c) Prudence;
- d) Income and costs are accounted for on an accruals basis.

Turnover

Turnover consists of the invoiced value of goods and services supplied in the ordinary course of business net of discounts and Value Added Tax.

Depreciation

Depreciation has been calculated to write off the cost of fixed assets over their estimated useful lives, by the reducing balance method from the date of acquisition at the following annual rates:

Plant and machinery	25%
Motor vehicle	25%

Stock

Stock is stated at the lower of cost (excluding value added tax and discounts) or net realisable value.

Deferred taxation

Deferred taxation represents the taxation attributable to timing differences arising on the differing treatment of income and expenditure for accounting and taxation purposes. No provision has been provided in these financial statements in view of there being no material timing differences.

Cash - flow statements (FRS1)

The company satisfies the criteria for exemption from producing a cash-flow statement report as defined by Financial Reporting Standard Number 1. The directors consider that there is no advantage including a cash-flow statement with its main financial statements.

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31ST MAY 1999

	Notes	2000	1999
	-----	-----	-----
		£	£
TURNOVER	1	152,963	123,297
COST OF SALES		103,296	79,496
GROSS PROFIT		49,667	43,801
ADMINISTRATIVE COSTS		15,922	14,358
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1	33,745	29,443
TAXATION	2	6,228	5,879
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		27,517	23,564
DIVIDENDS	3	20,000	14,500
PROFIT FOR THE YEAR		7,517	9,064
RETAINED PROFITS BROUGHT FORWARD		9,064	0
RETAINED PROFITS CARRIED FORWARD		16,581	9,064
		=====	=====

The notes on pages 9 to 11 form part of these financial statements.

BALANCE SHEET

AT 31ST MAY 2000

	Notes	2000 ----	1999 ----
		£	£
FIXED ASSETS			
Tangible assets	5	9,507	12,064
CURRENT ASSETS			
Stock	4	2,561	17,877
Debtors	6	32,251	14,855
Cash at bank		3,255	0
		38,067	32,732
CREDITORS: amounts falling due within one year	7	(30,893)	(35,632)
NET CURRENT ASSETS/(LIABILITIES)		7,174	(2,900)
NET ASSETS		£ 16,681	£ 9,164
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Profit and loss account		16,581	9,064
SHAREHOLDERS FUNDS		£ 16,681	£ 9,164
		=====	=====

The note on page 8 forms part of this Balance Sheet

The notes on pages 9 to 11 form part of these financial statements.

BALANCE SHEET (CONTINUED)

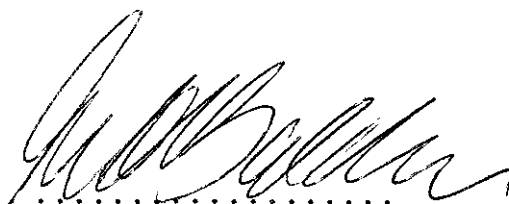
AT 31ST MAY 2000

The directors are satisfied that the company is entitled to exemption under section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for ensuring the company keeps accounting records which comply with section 221 of the Companies Act 1985 and for preparing accounts that give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit and loss for the year, in accordance with the requirements of section 226, and which otherwise comply with the Act relating to accounts.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities were approved by the board on 3rd July 2000.

Director : M A Baldwin



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NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST MAY 1999

	2000 ----	1999 ----
	£	£
1. TURNOVER		
The company's turnover and profit before taxation is all derived from one principal activity of the company all of which arises in the United Kingdom.		
The profit on ordinary activities before taxation is stated after charging:		
Directors' Remuneration	6,460	3,802
Depreciation of tangible assets	3,169	4,022
2. TAXATION		
UK Mainstream Corporation Tax at small companies rates	6,228	5,879
	6,228	5,879
3. DIVIDENDS		
Declared and paid in the year	20,000	14,500
	20,000	14,500
4. STOCK		
Purchases for resale	2,561	17,877
	2,561	17,877

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31ST MAY 1999

5. TANGIBLE ASSETS

	Motor vehicle	Plant & equipment	Total
	£	£	£
Cost			

At 1st June 1999	7,398	8,688	16,086
Additions	0	612	612
Disposals	0	0	0
At 31st May 2000	7,398	9,300	16,698
Depreciation			

At 1st June 1999	1,850	2,172	4,022
Charge for the period	1,387	1,782	3,169
Disposals	0	0	0
At 31st May 2000	3,237	3,954	7,191
Net book values			

At 31st May 2000	4,161	5,346	9,507
At 1st June 1999	5,548	6,516	12,064

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31ST MAY 1999

	2000 ----	1999 ----
	£	£
6. DEBTORS		
Trade debtors	32,251	14,628
Other debtors	0	227
	32,251	14,855
7. CREDITORS DUE WITHIN ONE YEAR		
Trade creditors and accruals	20,151	15,977
Corporation tax	6,228	5,879
Other creditors	3,773	2,772
Hire purchase	741	2,769
Bank overdraft	0	8,235
	30,893	35,632
Other creditors includes £1,315 (1999 £278) in respect of amounts owed to the Director, M A Baldwin. The loan is interest free and unsecured. There is no fixed repayment period of this amount.		
Other creditors includes an amount of £2,458 (1999 £379) in respect of Taxation and social security.		
8. SHARE CAPITAL		
Authorised :		
Ordinary shares of £1 each	1,000	1,000
Issued and fully paid	100	100
9. CONTROLLING PARTY		

Mr M A Baldwin, the Director, controls the company by virtue of holding 100% of the issued ordinary share capital (including family interests).