

3561908

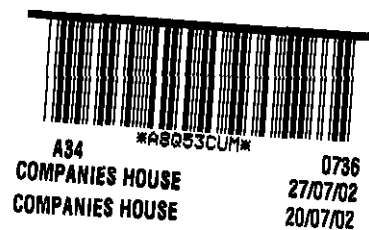
DIRECT PUBLICITY UK LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MAY 2002

| CONTENTS                          | PAGES  |
|-----------------------------------|--------|
| Directors and Officers            | 1      |
| Report of the Directors           | 2 & 3  |
| Report of the Accountants         | 4      |
| Accounting Policies               | 5      |
| Profit and Loss Account           | 6      |
| Balance Sheet                     | 7      |
| Notes to the Financial Statements | 8 - 11 |



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 22, Midsomer Enterprise Park  
Radstock Road  
Midsomer Norton  
Bath  
BA3 2BB

BANKERS

National Westminster Bank Plc  
PO Box 1680  
Bath  
BA1 3TJ

COMPANY NUMBER

3561908

## REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MAY 2002

---

The director presents his annual report and the financial statements for the company for the year ended 31st May 2002.

## 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 £120 per share on 5th April 2002. 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 | 31.5.2002          | 31.5.2001 |
| 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 2002

---

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 director is 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. He is 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 11th July 2002 and signed on its behalf.

.....*A J Baldwin*.....  
Mrs A J Baldwin  
Secretary

High Street  
Ston Easton  
Bath  
BA3 4DH

ACCOUNTANTS REPORT ON THE UNAUDITED ACCOUNTS  
TO THE DIRECTORS OF DIRECT PUBLICITY UK LIMITED  
FOR THE YEAR ENDED 31ST MAY 2002

---

4.

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 22, Midsomer Enterprise Park  
Radstock Road  
Midsomer Norton  
Bath  
BA3 2BB

11th July 2002

---

## ACCOUNTING POLICIES

FOR THE YEAR ENDED 31ST MAY 2002

---

## 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.

DIRECT PUBLICITY UK LIMITED  
 PROFIT AND LOSS ACCOUNT  
 FOR THE YEAR ENDED 31ST MAY 2002

6.

|                                                  | Notes | 2002    | 2001     |
|--------------------------------------------------|-------|---------|----------|
|                                                  | ----- | -----   | -----    |
|                                                  |       | £       | £        |
| TURNOVER                                         | 1     | 128,004 | 91,999   |
| COST OF SALES                                    |       | 98,919  | 74,176   |
| GROSS PROFIT                                     |       | 29,085  | 17,823   |
| ADMINISTRATIVE COSTS                             |       | 14,929  | 15,470   |
| PROFIT ON ORDINARY<br>ACTIVITIES BEFORE TAXATION | 1     | 14,156  | 2,353    |
| TAXATION                                         | 2     | 1,585   | 103      |
| PROFIT ON ORDINARY<br>ACTIVITIES AFTER TAXATION  |       | 12,571  | 2,250    |
| DIVIDENDS                                        | 3     | 12,000  | 18,000   |
| PROFIT/(LOSS) FOR THE YEAR                       |       | 571     | (15,750) |
| RETAINED PROFITS BROUGHT FORWARD                 |       | 831     | 16,581   |
| RETAINED PROFITS CARRIED FORWARD                 | £     | 1,402   | £ 831    |
|                                                  |       | =====   | =====    |

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

## DIRECT PUBLICITY UK LIMITED

7.

## BALANCE SHEET

AT 31ST MAY 2002

|                                                   | Notes | 2002<br>---- | 2001<br>---- |
|---------------------------------------------------|-------|--------------|--------------|
|                                                   |       | £            | £            |
| FIXED ASSETS                                      |       |              |              |
| Tangible assets                                   | 5     | 5,029        | 4,462        |
| CURRENT ASSETS                                    |       |              |              |
| Debtors                                           | 4     | 26,442       | 55,541       |
| Cash at bank                                      |       | 13,114       | 0            |
|                                                   |       | 39,556       | 55,541       |
| CREDITORS: amounts falling<br>due within one year | 6     | (43,083)     | (59,072)     |
| NET CURRENT LIABILITIES                           |       | (3,527)      | (3,531)      |
| NET ASSETS                                        |       | £ 1,502      | £ 931        |
|                                                   |       | =====        | =====        |
| CAPITAL AND RESERVES                              |       |              |              |
| Called up share capital                           | 7     | 100          | 100          |
| Profit and loss account                           |       | 1,402        | 831          |
| SHAREHOLDERS FUNDS                                |       | £ 1,502      | £ 931        |
|                                                   |       | =====        | =====        |

The note on page 8 forms part of this Balance Sheet

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

DIRECT PUBLICITY UK LIMITED

8.

BALANCE SHEET (CONTINUED)

AT 31ST MAY 2002

---

The director is 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 11th July 2002.

Director : M A Baldwin



.....

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2002

|                                                                                                                                                        | 2002<br>---- | 2001<br>---- |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
|                                                                                                                                                        | £            | £            |
| <b>1. TURNOVER</b>                                                                                                                                     |              |              |
| 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                                                                                                                                | 6,620        | 2,890        |
| Depreciation of tangible assets                                                                                                                        | 1,677        | 1,487        |
|                                                                                                                                                        | <hr/>        | <hr/>        |
| <b>2. TAXATION</b>                                                                                                                                     |              |              |
| UK Mainstream Corporation Tax at small companies rates                                                                                                 | 1,585        | 103          |
|                                                                                                                                                        | <hr/>        | <hr/>        |
|                                                                                                                                                        | 1,585        | 103          |
|                                                                                                                                                        | <hr/>        | <hr/>        |
| <b>3. DIVIDENDS</b>                                                                                                                                    |              |              |
| Declared and paid in the year                                                                                                                          | 12,000       | 18,000       |
|                                                                                                                                                        | <hr/>        | <hr/>        |
|                                                                                                                                                        | 12,000       | 18,000       |
|                                                                                                                                                        | <hr/>        | <hr/>        |
| <b>4. DEBTORS</b>                                                                                                                                      |              |              |
| Trade debtors                                                                                                                                          | 26,442       | 55,541       |
|                                                                                                                                                        | <hr/>        | <hr/>        |
|                                                                                                                                                        | 26,442       | 55,541       |
|                                                                                                                                                        | <hr/>        | <hr/>        |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST MAY 2002

## 5. TANGIBLE ASSETS

|                     | Motor<br>vehicle | Plant &<br>equipment | Total  |
|---------------------|------------------|----------------------|--------|
|                     | £                | £                    | £      |
| Cost                |                  |                      |        |
| ----                |                  |                      |        |
| At 1st June 2001    | 500              | 9,403                | 9,903  |
| Additions           | 0                | 2,244                | 2,244  |
| Disposals           | 0                | 0                    | 0      |
|                     |                  |                      |        |
| At 31st May 2002    | 500              | 11,647               | 12,147 |
|                     |                  |                      |        |
| Depreciation        |                  |                      |        |
| -----               |                  |                      |        |
| At 1st June 2001    | 125              | 5,316                | 5,441  |
| Charge for the year | 94               | 1,583                | 1,677  |
| Disposals           | 0                | 0                    | 0      |
|                     |                  |                      |        |
| At 31st May 2002    | 219              | 6,899                | 7,118  |
|                     |                  |                      |        |
| Net book values     |                  |                      |        |
| -----               |                  |                      |        |
| At 31st May 2002    | 281              | 4,748                | 5,029  |
|                     |                  |                      |        |
| At 1st June 2001    | 375              | 4,087                | 4,462  |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST MAY 2002

|                                  | 2002   | 2001   |
|----------------------------------|--------|--------|
|                                  | ----   | ----   |
|                                  | £      | £      |
| 6. CREDITORS DUE WITHIN ONE YEAR |        |        |
| Trade creditors                  | 26,564 | 38,599 |
| Bank overdraft                   | 802    | 10,668 |
| Other creditors                  | 14,132 | 9,702  |
| Corporation tax                  | 1,585  | 103    |
|                                  | <hr/>  | <hr/>  |
|                                  | 43,083 | 59,072 |
|                                  | <hr/>  | <hr/>  |

Other creditors includes £12,086 (2001 £7,153) 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 £1,746 (2001 £1,789) in respect of taxation and social security.

|                            |       |       |
|----------------------------|-------|-------|
| 7. SHARE CAPITAL           |       |       |
| Authorised :               |       |       |
| Ordinary shares of £1 each | 1,000 | 1,000 |
|                            | <hr/> | <hr/> |
| Issued and fully paid      | 100   | 100   |
|                            | <hr/> | <hr/> |

## 8. 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).