



financial statements

Printing and Graphic Machinery Installations Limited

For the year ended 30 September 2003

Company registration number: 01471232



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MacIntyre Hudson

THE FUTURE IS WHAT YOU MAKE IT™

Printing and Graphic Machinery Installations Limited

Officers and Professional Advisers

The Board of Directors

G C Churchill
M B Smith

Company Secretary

M B Smith

Registered Office

Millboard Road
Bourne End
Bucks
SL8 5XE

Auditors

MacIntyre Hudson
Chartered Accountants
& Registered Auditors
31 Castle Street
High Wycombe
Buckinghamshire
HP13 6RU

Printing and Graphic Machinery Installations Limited

The Directors' Report

Year ended 30 September 2003

The directors present their report and the financial statements of the company for the year ended 30 September 2003.

Principal activities

The principal activity of the company during the year was the installation of printing and bookbinding machinery.

The directors and their interests in shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary shares of £1	
	At 30 September 2003	At 1 October 2002
G C Churchill	--	--
M B Smith	--	100
	<u> </u>	<u> </u>

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

Auditors

A resolution to re-appoint MacIntyre Hudson as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Printing and Graphic Machinery Installations Limited

The Directors' Report *(continued)*

Year ended 30 September 2003

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Millboard Road
Bourne End
Bucks
SL8 5XE

Signed by order of the directors



.....
M B Smith
Company Secretary

Approved by the directors on ...29 April..... 2004

Printing and Graphic Machinery Installations Limited

Independent Auditors' Report to the Shareholders

Year ended 30 September 2003

We have audited the financial statements which comprise the Profit and Loss Account, Balance Sheet, Accounting Policies and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and on the basis of the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Director's Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and the Financial Reporting Standard for Smaller Entities (effective June 2002).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Printing and Graphic Machinery Installations Limited

Independent Auditors' Report to the Shareholders *(continued)*

Year ended 30 September 2003

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2003 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

31 Castle Street
High Wycombe
Buckinghamshire
HP13 6RU

6 May 2004



MACINTYRE HUDSON
Chartered Accountants
& Registered Auditors

Printing and Graphic Machinery Installations Limited

Profit and Loss Account

Year ended 30 September 2003

	Note	2003 £	2002 £
Turnover		236,138	71,668
Cost of sales		<u>182,996</u>	<u>54,079</u>
Gross profit		53,142	17,589
Administrative expenses		<u>63,460</u>	<u>21,959</u>
Operating loss	1	(10,318)	(4,370)
Interest payable		8	-
Loss on ordinary activities before taxation		(10,326)	(4,370)
Tax on loss on ordinary activities		-	-
Loss on ordinary activities after taxation, being loss for the financial year		<u>£(10,326)</u>	<u>£(4,370)</u>

The accounting policies and notes on pages 8 to 10 form part of these financial statements.

Printing and Graphic Machinery Installations Limited

Balance Sheet


30 September 2003

	Note	2003		2002
		£	£	£
Fixed assets				
Tangible assets	2		17,134	<u>22,508</u>
Current assets				
Debtors	3	23,364		12,748
Cash at bank		-		<u>3,554</u>
		<u>23,364</u>		16,302
Creditors: amounts falling due within one year	4	<u>55,094</u>		<u>43,080</u>
Net current liabilities			(31,730)	(26,778)
Total assets less current liabilities			£(14,596)	£(4,270)
Capital and reserves				
Called-up equity share capital	6		100	100
Profit and loss account	7		(14,696)	(4,370)
Deficiency			£(14,596)	£(4,270)

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

These financial statements were approved by the directors on the 29 April 2004 and are signed on their behalf by:


G E Churchill


M B Smith

The accounting policies and notes on pages 8 to 10 form part of these financial statements.

Printing and Graphic Machinery Installations Limited

Accounting Policies

Year ended 30 September 2003

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Plant and machinery	-	15% straight line
Motor vehicles	-	25% reducing balance

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Printing and Graphic Machinery Installations Limited

Notes to the Financial Statements

Year ended 30 September 2003

1. Operating loss

Operating loss is stated after charging/(crediting):

	2003 £	2002 £
Depreciation of owned fixed assets	5,374	1,350
Loss on disposal of fixed assets	-	1,434
Auditors' fees	1,000	-
Net (profit)/loss on foreign currency translation	<u>(10)</u>	<u>3</u>

2. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 October 2002 and 30 September 2003	<u>8,000</u>	<u>15,802</u>	<u>23,802</u>
Depreciation			
At 1 October 2002	400	894	1,294
Charge for the year	1,200	4,174	5,374
At 30 September 2003	<u>1,600</u>	<u>5,068</u>	<u>6,668</u>
Net book value			
At 30 September 2003	<u>£6,400</u>	<u>£10,734</u>	<u>£17,134</u>
At 30 September 2002	<u>£7,600</u>	<u>£14,908</u>	<u>£22,508</u>

3. Debtors

	2003 £	2002 £
Amounts owed by group undertakings	4,823	-
VAT recoverable	4	-
Other debtors	18,537	12,748
	<u>£23,364</u>	<u>£12,748</u>

4. Creditors: amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	2,985	-
Trade creditors	6,249	259
Amounts owed to group undertakings	36,819	34,457
Other taxation and social security	5,288	5,100
Other creditors	3,753	3,264
	<u>£55,094</u>	<u>£43,080</u>

Printing and Graphic Machinery Installations Limited

Notes to the Financial Statements

Year ended 30 September 2003

5. Related party transactions

The company has been under the control of the Managing Director and majority shareholder M B Smith throughout the current and previous year.

On the 4 February 2003, the company became the wholly-owned subsidiary of Printing and Graphic Machinery Holdings Limited.

During the year the company made sales of £182,387 and £53,751 to Printing and Graphic Machinery Limited and Printing and Graphic Machinery Holdings Limited respectively.

6. Share capital

Authorised share capital:

	2003 £	2002 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

7. Profit and loss account

	2003 £	2002 £
Balance brought forward	(4,370)	—
Loss for the financial year	(10,326)	(4,370)
Balance carried forward	<u>£(14,696)</u>	<u>£(4,370)</u>

8. Ultimate parent company

As from the 4 February 2003, the ultimate holding company of Printing and Graphic Machinery Installations Limited is Printing and Graphic Machinery Holdings Limited, a company incorporated in England.

find us:



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THE FUTURE IS WHAT YOU MAKE IT®

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MacIntyre Hudson is registered to carry on audit work and regulated for a range of investment business activities by The Institute of Chartered Accountants in England and Wales. UK member of CPA Associates International with representative firms worldwide. www.cpa-europe.com

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Carrwood MacIntyre Ltd is the appointed representative of Carrwood Moorgate Ltd which is directly authorised and regulated by the Financial Services Authority.