

F F ALLSOPP AND COMPANY LIMITED

ANNUAL REPORT

YEAR ENDED 31 DECEMBER 1997

PANNELL KERR FORSTER
Chartered Accountants



F F ALLSOPP AND COMPANY LIMITED

COMPANY INFORMATION

Directors J Loach (Resigned 27 August 1998)
R J Loach
G T Hillyard

Secretary Mrs B M Loach

Company Number 146681

Auditors Pannell Kerr Forster
Chartered Accountants
Regent House
Clinton Avenue
Nottingham
NG5 1AZ

FF ALLSOPP AND COMPANY LIMITED

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F F ALLSOPP AND COMPANY LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 1997

The directors submit their report and the financial statements for the year ended 31 December 1997.

Principal activity

The principal activity of the company during the year was that of bookbinders and print finishers.

Directors

The directors who served during the year and their interests in the share capital of the parent company, Tempmark Limited at the balance sheet date and at the start of the year (or date of appointment, if later) were:

	Ordinary £1 shares		'B' Redeemable	
	1997	1996	1997	1996
J Loach (<i>Resigned 27 August 1998</i>)	-	-	1,167	1,167
R J Loach	20,500	15,050	-	-
G T Hillyard	4,600	50	-	-

Auditors

The auditors, Pannell Kerr Forster, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

Basis of preparation

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

By order of the board

M Loach.

Mrs B M Loach
Secretary

1 September 1998

F F ALLSOPP AND COMPANY 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 then 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 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.

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
F F ALLSOPP AND COMPANY LIMITED**

We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 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. 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

Nottingham
4 September 1998

F F ALLSOPP AND COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1997

	Notes	1997 £	1996 £
TURNOVER	2	2,183,563	2,192,166
Cost of sales		(1,388,743)	(1,437,232)
GROSS PROFIT		<u>794,820</u>	<u>754,934</u>
Distribution costs		(205,551)	(220,177)
Administrative expenses		(441,009)	(405,847)
Other operating income		8,789	1,000
OPERATING PROFIT	3	<u>157,049</u>	<u>129,910</u>
Interest receivable and similar items		71	219
Interest payable and similar items		(23,441)	(35,642)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>133,679</u>	<u>94,487</u>
TAXATION		<u>(10,174)</u>	<u>(13,250)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>123,505</u>	<u>81,237</u>
DIVIDENDS	5	(25,021)	(9,089)
		<u>98,484</u>	<u>72,148</u>

All amounts relate to continuing operations.

There were no recognised gains or losses for the year other than those included in the profit and loss account.

F F ALLSOPP AND COMPANY LIMITED
BALANCE SHEET
31 DECEMBER 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible	6	523,534	614,926
CURRENT ASSETS			
Stocks	7	168,271	191,080
Debtors	8	539,661	601,982
Cash at bank and in hand		42,522	38
		<hr/> 750,454	<hr/> 793,100
CREDITORS: amounts falling due within one year	9	(474,177)	(619,919)
NET CURRENT ASSETS		<hr/> 276,277	<hr/> 173,181
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> 799,811	<hr/> 788,107
CREDITORS: amounts falling due after more than one year	10	(119,232)	(198,012)
PROVISIONS FOR LIABILITIES AND CHARGES	12	(37,000)	(45,000)
NET ASSETS		<hr/> <hr/> 643,579	<hr/> <hr/> 545,095
CAPITAL AND RESERVES			
Called up share capital	13	7,358	7,358
Other reserves		38,144	38,144
Profit and loss account	14	598,077	499,593
SHAREHOLDERS' FUNDS	15	<hr/> <hr/> 643,579	<hr/> <hr/> 545,095

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

The financial statements were approved by the board on 1 September 1998

Signed on behalf of the board of directors

R J Loach Director



G T Hillyard Director



F F ALLSOPP AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1997

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

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

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant, machinery, fixtures, fittings & office equipment	- 7-25%
Motor vehicles	- 25%

(d) Finance leases and hire purchase

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding.

(e) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis, and includes all direct costs incurred and attributable production overheads. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

(f) Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Revenue grants are released to profit over the life of the project to which they relate.

(g) Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

(h) Pensions

The company operates a defined contribution pension scheme and the pension charge in the profit and loss account represents the amounts payable by the company to the fund in respect of the year.

2 TURNOVER

All turnover arose within the United Kingdom.

F F ALLSOPP AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1997

3 OPERATING PROFIT

The operating profit is stated after charging:

	1997	1996
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	60,786	42,113
- held under finance lease or hire purchase contracts	52,724	67,952
Audit fees	3,850	3,625
Government grants released	1,000	1,000
Hire purchase interest charges	22,590	29,842
	<u> </u>	<u> </u>

4 DIRECTORS' EMOLUMENTS AND BENEFITS

	1997	1996
	£	£
Aggregate of directors' emoluments and other benefits as defined in paragraph 1 of Schedule 6 to the Companies Act 1985	88,210	81,713
	<u> </u>	<u> </u>

The numbers of directors who were members of company pension schemes were:

	No	No
Money purchase schemes	2	2
	<u> </u>	<u> </u>

5 DIVIDENDS

	1997	1996
	£	£
Proposed dividend	25,021	9,089
	<u> </u>	<u> </u>

F F ALLSOPP AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1997

6 TANGIBLE FIXED ASSETS

	Plant & machinery fixtures & fittings £	Motor vehicles £	Total £
Cost			
At 1 January 1997	1,426,805	36,887	1,463,692
Additions	24,133	-	24,133
Disposals	(68,809)	-	(68,809)
	<hr/>	<hr/>	<hr/>
At 31 December 1997	1,382,129	36,887	1,419,016
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 1997	824,063	24,703	848,766
Charge for year	107,615	5,895	113,510
On disposals	(66,794)	-	(66,794)
	<hr/>	<hr/>	<hr/>
At 31 December 1997	864,884	30,598	895,482
	<hr/>	<hr/>	<hr/>
Net book amount			
At 31 December 1997	517,245	6,289	523,534
	<hr/>	<hr/>	<hr/>
At 31 December 1996	602,742	12,184	614,926
	<hr/>	<hr/>	<hr/>

The net book amounts of plant and equipment above include £309,288 (1996 - £443,223) in respect of assets held under finance leases or hire purchase contracts.

7 STOCKS

	1997 £	1996 £
Stocks	168,271	191,080
	<hr/>	<hr/>
	168,271	191,080
	<hr/>	<hr/>

8 DEBTORS

	1997 £	1996 £
Trade debtors	433,599	453,220
Amounts due from group undertakings	17,642	61,940
Other debtors	88,420	86,822
	<hr/>	<hr/>
	539,661	601,982
	<hr/>	<hr/>

F F ALLSOPP AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1997

9 CREDITORS:

Amounts falling due within one year

	1997	1996
	£	£
Bank loans and overdrafts	-	27,931
Trade creditors	118,287	192,463
Corporation tax	17,088	5,971
Other tax and social security	30,007	25,493
Net obligations under finance lease and hire purchase contracts (note 11)	88,685	110,880
Other creditors	220,110	257,181
	<u>474,177</u>	<u>619,919</u>

10 CREDITORS:

Amounts falling due after more than one year

	1997	1996
	£	£
Net obligations under finance lease and hire purchase contracts (note 11)	119,232	198,012
	<u>119,232</u>	<u>198,012</u>

11 FINANCE LEASES

	1997	1996
	£	£
Within one year	88,685	110,880
Between two and five years	119,232	198,012
	<u>207,917</u>	<u>308,892</u>

Finance lease and hire purchase creditors are secured on the assets concerned.

12 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax	£
At 1 January 1997	45,000
Charged to profit and loss account	(8,000)
	<u>37,000</u>
At 31 December 1997	<u>37,000</u>

F F ALLSOPP AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1997

13 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid No.	£
At 1 January 1997 and 31 December 1997			
Deferred Ordinary shares of 1p each	728,614	728,614	7,286
Ordinary shares of 1p each	271,386	7,214	72
	<u> </u>	<u> </u>	<u> </u>

14 RESERVES

Profit and loss account	£
At 1 January 1997	499,593
Profit for the year	123,505
Dividends	(25,021)
	<u> </u>
At 31 December 1997	598,077
	<u> </u>

15 SHAREHOLDERS' FUNDS

	1997 £	1996 £
Shareholders' funds at 1 January 1997	545,095	472,947
Profit for the year	123,505	81,237
Dividends	(25,021)	(9,089)
	<u> </u>	<u> </u>
Shareholders' funds at 31 December 1997	643,579	545,095
	<u> </u>	<u> </u>

16 CONTINGENT LIABILITIES

The company has guaranteed the bank facilities of Tempmark Limited, its parent Company, and Backhurst and Taylor Limited under the terms of a composite cross guarantee effected on 25 September 1996.

17 PENSION COSTS

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund.

Contributions made by the company to the scheme during the year amounted to £64,138 (1996 - £55,065).

18 CASHFLOW STATEMENT

No cashflow statement has been prepared since the company is exempt from doing so by the provisions of FRS 1 being a small company.

F F ALLSOPP AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1997

19 PARENT UNDERTAKINGS AND CONTROLLING PARTIES

The company is a wholly owned subsidiary undertaking of and is controlled by Tempmark Limited, a company incorporated in Great Britain.

The ultimate controlling party is Mr R J Loach being the majority shareholder in Tempmark Limited.

The parent company does not prepare consolidated accounts as it is exempt as a small group by virtue of section 248 of the Companies Act (1985).

Transactions with entities that are part of the group are not disclosed as the company has taken advantage of exemptions in FRS 8 being a small company.