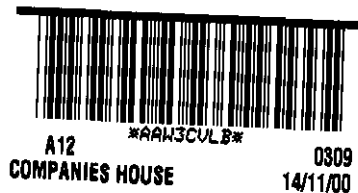


**PEMBROKE THOMAS (DIRECT) LIMITED**

**DIRECTORS' REPORT AND**  
**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE, 2000**



**Company No. 00759140 (England and Wales)**

**PEMBROKE THOMAS (DIRECT) LIMITED**

**Company Information**

Directors	W. J. Winfer
	D. A. Bickley
Secretary	W. J. Winfer
Company Number	00759140 (England and Wales)
Registered Office	Walsall Road Cannock Staffordshire WS11 3JD
Auditors	Shelvoke, Pickering, Janney & Co., Registered Auditor and Chartered Accountants 57-61 Market Place Cannock Staffordshire WS11 1BP

**PEMBROKE THOMAS (DIRECT) LIMITED**

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**PEMBROKE THOMAS (DIRECT) LIMITED**

**DIRECTORS REPORT FOR THE YEAR ENDED**

**30TH JUNE, 2000**

The directors present their report and the financial statements for the year ended 30th June, 2000.

**Principal Activity**

The company's principal activity continues to be that of printers and stationers.

**Directors**

The directors who served during the year and their beneficial interest in the company's issued ordinary share capital were:-

	<u>Number of Shares</u>	
	<u>2000</u>	<u>1999</u>
W. J. Winfer	125	125
D. A. Bickley	125	125

**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 the 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 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.

**Auditors**

The auditors, Shelvoke, Pickering, Janney & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved on 6th November, 2000.

Signed on behalf of the board of directors



W. J. Winfer - Secretary.

## AUDITORS' REPORT TO THE MEMBERS OF

### PEMBROKE THOMAS (DIRECT) LIMITED

We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

#### Respective Responsibilities of Directors and Auditors

As described on page 1 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.

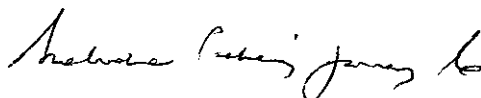
#### Basis of Opinion

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 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 the company's affairs at 30th June, 2000 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Shelvoke, Pickering Janney & Co,  
Registered Auditor  
and Chartered Accountants  
57-61 Market Place  
Cannock  
Staffordshire  
WS11 1BP

6th November, 2000

**PEMBROKE THOMAS (DIRECT) LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 30TH JUNE, 2000**

<u>NOTE</u>	<u>2000</u> £	<u>1999</u> £
Turnover	526,274	489,564
Cost of Sales	(411,345)	(370,467)
	<hr/>	<hr/>
<u>Gross Profit</u>	114,929	119,097
Administrative Expenses	(115,376)	(95,379)
	<hr/>	<hr/>
2 <u>Operating Profit/(Loss)</u>	(447)	23,718
Interest Receivable	297	271
Interest Payable	(1,936)	(2,173)
	<hr/>	<hr/>
<u>Profit/(Loss) On Ordinary Activities Before Taxation</u>	(2,086)	21,816
3 Taxation on Profit/(Loss) on Ordinary Activities	(603)	(3,697)
	<hr/>	<hr/>
<u>Profit/(Loss) On Ordinary Activities After Taxation</u>	(2,689)	18,119
4 Dividends	(2,800)	(2,800)
	<hr/>	<hr/>
<u>Retained Profit/(Deficiency) For The Year</u>	(5,489)	15,319
<u>Retained Profit Brought Forward</u>	57,150	41,831
	<hr/>	<hr/>
<u>Retained Profit Carried Forward</u>	51,661	57,150
	<hr/>	<hr/>

There are no recognised gains or losses other than as disclosed above and there have been no discontinued activities or acquisitions in the current or preceding period.

The notes on pages 5 to 9 form part of these financial statements.

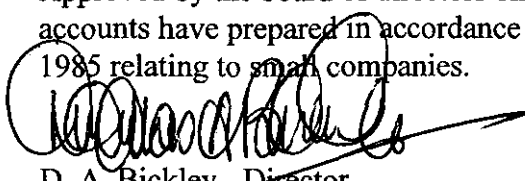
**PEMBROKE THOMAS (DIRECT) LIMITED**

**BALANCE SHEET**

**AS AT 30TH JUNE, 2000**

<u>NOTE</u>		<u>2000</u>		<u>1999</u>	
		£	£	£	£
	<u>Fixed Assets</u>				
5	Tangible Assets		42,232		44,104
	<u>Current Assets</u>				
	Stocks	19,730		22,401	
6	Debtors	84,315		88,305	
	Cash at Bank and in Hand	10,296		10,107	
		114,341		120,813	
7	<u>Creditors: Amounts Falling Due Within One Year</u>	(104,212)		(106,391)	
	<u>Net Current Assets</u>		10,129		14,422
	<u>Total Assets Less Current Liabilities</u>		52,361		58,526
8	<u>Creditors: Amounts Falling Due After More Than One Year</u>		-		(676)
			52,361		57,850
	<u>Capital and Reserves</u>				
10	Called Up Share Capital		700		700
	Profit and Loss Account		51,661		57,150
12	Shareholders Funds - All Equity		52,361		57,850

Approved by the board of directors on 6th November, 2000 and signed on it's behalf. The accounts have prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

  
D. A. Bickley - Director.

The notes on pages 5 to 9 form part of these financial statements.

**PEMBROKE THOMAS (DIRECT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE, 2000**

1. Accounting Policies

a) Basis of Preparation of Accounts

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the Directors' Report and which is continuing. The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

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

Plant and Machinery	- 10% p.a. Reducing Balance
Motor Vehicles	- 25% p.a. Reducing Balance
Office Equipment	- 20% p.a. Straight Line

d) Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

e) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

f) Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

g) Pensions

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



2.	<u>Operating Profit/(Loss)</u>	<u>2000</u>	<u>1999</u>
	The operating profit/(loss) is stated after charging:-	£	£
	Depreciation of Tangible Fixed Assets		
	- Owned By The Company	12,772	8,613
	Auditors' Remuneration	2,345	2,295
	Operating Lease Rentals		
	- Other Operating Leases	12,000	12,000
	Directors' Emoluments	32,272	30,192
		<u>          </u>	<u>          </u>

3. Taxation

U.K. Current Year Taxation

U.K. Corporation Tax at 17.5% (1999 : 20.75%)	(600)	(3,700)
---	-------	---------

Prior Years

U.K. Corporation Tax	(3)	3
	<u>          </u>	<u>          </u>
	(603)	(3,697)
	<u>          </u>	<u>          </u>

If provision were made for deferred taxation on the basis of the full potential liability, the tax charge would increase by £NIL (1999 : £NIL) due to accelerated capital allowances.

4. Dividends

A dividend of £4.00 (1999 : £4) per ordinary share was paid	2,800	2,800
	<u>          </u>	<u>          </u>

5. Tangible Fixed Assets

	<u>Plant and Machinery Etc.</u>
<u>Cost</u>	£
At 1st July, 1999	160,214
Additions	11,050
Disposals	(21,427)
	<u>          </u>
At 30th June, 2000	149,837
	<u>          </u>
<u>Depreciation</u>	
At 1st July, 1999	116,110
On Disposals	(17,298)
Provided for the Year	8,793
	<u>          </u>
At 30th June, 2000	107,605
	<u>          </u>

### Net Book Values

At 30th June, 2000	42,232
At 30th June, 1999	44,104

Included above in plant and machinery etc. are assets held under finance leases or hire purchase contracts amounting to £NIL (1999: £NIL).

6	<u>Debtors</u>	<u>2000</u>	<u>1999</u>
		£	£
	<u>Due After More Than One Year</u>		
	Other Debtors	-	-
	<u>Due Within One Year</u>		
	Trade Debtors	83,505	87,510
	Prepayments and Accrued Income	810	795
		<hr/>	<hr/>
		84,315	88,305
		<hr/>	<hr/>

### 7. Creditors: Amounts Falling Due Within One Year

Bank Loans and Overdrafts (Secured)	9,936	6,692
Trade Creditors	71,609	66,714
Other Creditors	10,640	18,980
Accruals and Deferred Income	4,996	5,305
Taxation and Social Security	7,031	8,700
	<hr/>	<hr/>
	104,212	106,391
	<hr/>	<hr/>

### 8. Creditors: Amounts Falling Due After More Than One Year

Bank Loans (Secured)	-	676
	<hr/>	<hr/>

The bank loans are wholly repayable within five years.

### 9. Deferred Taxation

The potential liability for deferred taxation not provided was as follows:

Accelerated Capital Allowances	4,095	5,945
	<hr/>	<hr/>

10. <u>Called Up Share Capital</u>	<u>2000</u>	<u>1999</u>
	£	£
<u>Authorised</u>		
Ordinary Shares of £1 each	2,000	2,000
	<hr/>	<hr/>
<u>Issued</u>		
Ordinary Shares of £1 each	700	700
	<hr/>	<hr/>

11. Pensions

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund and contributions amounted to £3,691 for the year (1999 : £3,728). There are two directors accruing benefits under the scheme.

12. Movement on Shareholders' Funds

Profit/(Loss) for the Year	(2,689)	18,119
Dividends	(2,800)	(2,800)
	<hr/>	<hr/>
Net Additions During the Year	(5,489)	15,319
Shareholders' Funds at 30th June, 1999	57,850	42,531
	<hr/>	<hr/>
Shareholders' Funds at 30th June, 2000	52,361	57,850
	<hr/>	<hr/>

13. Other Commitments

At 30th June, 2000, the company had annual commitments under non-cancellable operating leases as follows:

	<u>Land and Buildings</u>		<u>Other</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	£	£	£	£
Expiry date:				
Within One Year	-	-	-	-
Between Two and Five Years	12,000	12,000	-	-
In More Than Five Years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	12,000	12,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

14. Transactions With Related Parties

The company was not under the control of any individual party during this year or the preceding year.

Interest free loans were made to the company by the directors as follows:-

	<u>B A L A N C E</u>		
	<u>30.6.00</u>	<u>30.6.99</u>	<u>Highest</u>
W. J. Winfer	7,406	11,452	11,452
D. A. Bickley	3,325	7,528	7,528

There are no terms set down for repayment.