

ky



# Unaudited Financial Statements Graphic Art (Cambridge) Limited

---

**For the Year Ended 31 August 2011**



**Company No. 909006**

## Company information

<b>Company registration number</b>	909006
<b>Registered office</b>	21 - 25 Union Lane Cambridge CB4 1PR
<b>Director</b>	K L Jones
<b>Secretary</b>	G M Russell
<b>Bankers</b>	Lloyds TSB Bank PLC Gonville Place 95 - 97 Regent Street Cambridge CB2 1BQ
<b>Solicitors</b>	Hewitson, Becke & Shaw Shakespeare House 42 Newmarket Road Cambridge CB5 8EP
<b>Accountants</b>	Grant Thornton UK LLP Chartered Accountants Kingfisher House 1 Gilders Way St James Place Norwich Norfolk NR3 1UB

---

## Index

<b>Report of the director</b>	<b>3</b>
<b>Chartered accountants' report to the director</b>	<b>4</b>
<b>Principal accounting policies</b>	<b>5 - 6</b>
<b>Profit and loss account</b>	<b>7</b>
<b>Balance sheet</b>	<b>8 - 9</b>
<b>Notes to the financial statements</b>	<b>10 - 13</b>

**SIGN**

## Report of the director

The director presents his report and the unaudited financial statements of the company for the year ended 31 August 2011

### **Principal activities and business review**

The company's principal activities continued to be membrane manufacturing, printing and silk screening

The results for the year are set out on page 7 No dividend is proposed

### **Director**

The director who served the company during the year was as follows

K L Jones

### **Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

BY ORDER OF THE BOARD



G. M. Russell

G M Russell

Secretary

21/4/2012



## Chartered accountants' report to the director on the unaudited financial statements of Graphic Art (Cambridge) Limited

In accordance with the engagement letter dated 30 January 2012, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled for your approval the financial statements of Graphic Art (Cambridge) Limited for the year ended 31 August 2011 which comprise the accounting policies, profit and loss account, balance sheet and the related notes from the accounting records and information and explanations you have given to us

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com](http://www.icaew.com)

This report is made to the Director of Graphic Art (Cambridge) Limited in accordance with the terms of our engagement letter dated 30 January 2012. Our work has been undertaken solely to compile for your approval the financial statements of Graphic Art (Cambridge) Limited and state those matters that we have agreed to state to the Director of Graphic Art (Cambridge) Limited in this report in accordance with the requirements of the Institute of Chartered Accountants in England and Wales, as detailed at [www.icaew.com](http://www.icaew.com). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Graphic Art (Cambridge) Limited and its Director for our work or for this report.

It is your duty to ensure that Graphic Art (Cambridge) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Graphic Art (Cambridge) Limited. You consider that Graphic Art (Cambridge) Limited is exempt from statutory audit requirement for the year ended 31 August 2011.

We have not been instructed to carry out an audit of the financial statements of Graphic Art (Cambridge) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

A handwritten signature in black ink, appearing to read "Grant Thornton UK LLP".

GRANT THORNTON UK LLP  
CHARTERED ACCOUNTANTS  
NORWICH

24/4/2012

## Principal accounting policies

### **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 April 2008)

The company continues to have sufficient reserves and working capital to continue trading for at least the next twelve months and the director considers that the going concern basis remains appropriate

The principal accounting policies of the company remain unchanged from the previous year and are set out below

### **Turnover**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts

### **Fixed assets**

All fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment

### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows

Leasehold property improvements - 10% straight line  
Plant and machinery - 20%-33 3% straight line  
Fixtures and fittings - 20% straight line  
Motor vehicles - 25% reducing balance  
New computer equipment - 33 3% straight line

### **Stocks**

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

### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

### **Finance lease agreements**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

### **Pension costs**

The pension costs charged against the profits represent the amount of the contributions payable to employees' personal pension plans in respect of the accounting period

### **Foreign currencies**

Monetary 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

### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity

### **Deferred taxation**

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax in respect of all timing differences that have originated but not reversed by the balance sheet date, except that deferred tax assets are only recognised to the extent that they are regarded as recoverable. Deferred tax balances are not discounted

## Profit and loss account

	Note	2011 £	2010 £
Turnover	1	2,895,806	2,615,116
Cost of sales		<u>(1,957,433)</u>	<u>(1,786,296)</u>
Gross profit		938,373	828,820
Other operating charges	2	<u>(1,137,904)</u>	<u>(1,110,021)</u>
<b>Operating loss</b>	3	<u>(199,531)</u>	<u>(281,201)</u>
Interest receivable	5	131	349
Interest payable and similar charges		—	(2,168)
<b>Loss on ordinary activities before taxation</b>		<u>(199,400)</u>	<u>(283,020)</u>
Tax on loss on ordinary activities		—	—
<b>Loss for the financial year</b>	15	<u>(199,400)</u>	<u>(283,020)</u>

**The accompanying accounting policies and notes form part of these financial statements.**



## Balance sheet

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Tangible assets	6	<u>91,213</u>	<u>158,538</u>
<b>Current assets</b>			
Stocks	7	335,080	348,097
Debtors	8	671,699	848,775
Cash at bank and in hand		<u>134,708</u>	<u>373,213</u>
		<u>1,141,487</u>	<u>1,570,085</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>359,508</u>	<u>654,198</u>
<b>Net current assets</b>		<u>781,979</u>	<u>915,887</u>
<b>Total assets less current liabilities</b>		<u>873,192</u>	<u>1,074,425</u>
<b>Creditors: amounts falling due after more than one year</b>	10	<u>—</u>	<u>1,833</u>
		<u>873,192</u>	<u>1,072,592</u>
<b>Capital and reserves</b>			
Called-up equity share capital	14	100	100
Profit and loss account	15	<u>873,092</u>	<u>1,072,492</u>
<b>Shareholder's funds</b>		<u>873,192</u>	<u>1,072,592</u>

**The Balance sheet continues on the following page.**  
**The accompanying accounting policies and notes form part of these financial statements.**

**SIGN**

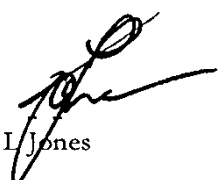
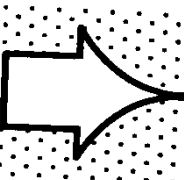
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The director acknowledges his responsibility for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which 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 or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and signed by the director and authorised for issue on 21/4/2012



K I Jones

Company Registration Number 909006

**The accompanying accounting policies and notes form part of these financial statements.**

## Notes to the financial statements

### **1 Turnover**

The turnover and loss before tax are attributable to the one principal activity of the company  
 An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	1,500,778	1,457,275
Overseas sales	1,395,028	1,157,841
	<u>2,895,806</u>	<u>2,615,116</u>

### **2 Other operating charges**

	2011 £	2010 £
Distribution costs	135,579	121,145
Administrative expenses	1,002,325	988,876
	<u>1,137,904</u>	<u>1,110,021</u>

### **3 Operating loss**

Operating loss is stated after charging/(crediting)

	2011 £	2010 £
Staff pension contributions	6,015	1,203
Depreciation of owned fixed assets	64,891	76,633
Loss/(Profit) on disposal of fixed assets	3,936	(7,115)
Net loss on foreign currency translation	<u>39,177</u>	<u>18,227</u>

### **4 Director**

Remuneration in respect of director was as follows

	2011 £	2010 £
Remuneration	<u>15,265</u>	<u>14,809</u>

Retirement benefits are accruing to one director (2010 one) under the company's defined contribution pension scheme

**5 Interest receivable**

	2011	2010
	£	£
Bank interest receivable	<u>131</u>	<u>349</u>

**6 Tangible fixed assets**

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
At 1 September 2010	62,413	2,093,808	167,163	212,579	2,535,963
Additions	—	7,500	—	—	7,500
Disposals	—	(30,450)	—	(23,550)	(54,000)
At 31 August 2011	<u>62,413</u>	<u>2,070,858</u>	<u>167,163</u>	<u>189,029</u>	<u>2,489,463</u>
Depreciation					
At 1 September 2010	62,413	2,000,307	162,979	151,726	2,377,425
Charge for the year	—	50,179	2,092	12,620	64,891
On disposals	—	(30,450)	—	(13,616)	(44,066)
At 31 August 2011	<u>62,413</u>	<u>2,020,036</u>	<u>165,071</u>	<u>150,730</u>	<u>2,398,250</u>
Net book value					
At 31 August 2011	<u>—</u>	<u>50,822</u>	<u>2,092</u>	<u>38,299</u>	<u>91,213</u>
At 31 August 2010	<u>—</u>	<u>93,501</u>	<u>4,184</u>	<u>60,853</u>	<u>158,538</u>

**7 Stocks**

	2011	2010
	£	£
Raw materials	80,421	78,415
Work in progress	254,659	269,682
	<u>335,080</u>	<u>348,097</u>

**8 Debtors**

	2011	2010
	£	£
Trade debtors	421,286	493,198
Other debtors	250,413	355,577
	<u>671,699</u>	<u>848,775</u>

**9 Creditors: amounts falling due within one year**

	2011 £	2010 £
Overdrafts	–	220,729
Trade creditors	119,628	195,903
Amounts owed to group undertakings	197,250	197,250
Other taxation	12,698	6,518
Other creditors	29,932	33,798
	<u>359,508</u>	<u>654,198</u>

The company's bank holds a debenture over all assets of the company

**10 Creditors: amounts falling due after more than one year**

	2011 £	2010 £
Other creditors	–	<u>1,833</u>

**11 Deferred taxation**

There is an unprovided deferred tax asset of £286,231 (2010 £258,518) relating to excess depreciation over capital allowances and losses carried forward. This has not been provided for due to uncertainty over whether it will be realised.

**12 Leasing commitments**

At 31 August 2011 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	2011 £	2010 £
Operating leases which expire After more than 5 years	<u>156,012</u>	<u>154,260</u>

**13 Related party transactions**

(i) Throughout the year Graphic Art (Cambridge) Limited was controlled by K L Jones who is a director and has a controlling interest in the issued share capital of the parent undertaking Mark One Investments Limited. At 31 August 2011 Graphic Art (Cambridge) Limited owed Mark One Investments Limited £197,250 (2010 £197,250)

(ii) Throughout the year Graphic Art (Cambridge) Limited was also a related party of Cambridge Electro Plating Limited, by virtue of the fact Mr K L Jones' son, Mr M K Jones, is the sole director and shareholder of that company

	2011	2010
	£	£
Sales to Cambridge Electro Plating Limited	7,064	7,050
Purchases from Cambridge Electro Plating Limited	21,316	5,137
Management charges made by Cambridge Electro Plating Limited	48,000	48,000

During the year Graphic Art (Cambridge) Limited made additional loan payments to Cambridge Electro Plating Limited totalling £10,000 and Cambridge Electro Plating Limited made repayments totalling £108,512 in respect of this loan. At 31 August 2011 Cambridge Electro Plating Limited owed £211,488 (2010 £310,000) to Graphic Art (Cambridge) Limited in respect of this loan. The loan is interest free.

**14 Share capital**

Authorised share capital

	2011	2010
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid

	2011		2010	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

**15 Reserves**

	Profit and loss account
	£
At 1 September 2010	1,072,492
Loss for the year	(199,400)
At 31 August 2011	<u>873,092</u>

**16 Ultimate parent company**

The company is a subsidiary of Mark One Investments Limited which is the ultimate parent undertaking. The company is registered in England and Wales.