

COPYRITE LIMITED

REPORT AND ACCOUNTS

for the year ended
31 March 1999

Company Registration No. 1328896



COPYRITE LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with the financial statements for the year ended 31st March 1999.

1.Principal activities.

The company is principally engaged in the provision of reprographic services. The range of these services has not materially changed during the period.

2.Results and dividend

There was a profit for the period after taxation amounting to £27,440. The directors do not recommend the payment of a dividend.

3.Review of the business

The level of business activity for the period is lower than the prior year, however efficiency improvements have compensated for this. The position at the end of the period reflects the increased strength of activity in the construction industry. The directors anticipate that this trend will be maintained in the current period and that results will continue to reflect this.

4.Directors

The directors in office at the end of the year are listed below. All served on the Board throughout the period.

Mrs A. Allchurch retires by rotation and being eligible offers herself for re-election.

The interests of the directors in the shares of the company at 1st April 1998 and at 31st March 1999 as recorded in the register maintained by the company in accordance with the provisions of the Companies Act 1985, were as follows:

<u>Director</u>	<u>Ordinary shares of £1 each</u>	
	<u>1999</u>	<u>1998</u>
Mrs J M Greentree	40	40
Mrs A Allchurch	40	40
Mrs S R Evans	20	20

5.Auditors

The company has taken advantage of Section 249 of the Companies Act 1985 regarding the exemption from an audit of the financial statements for the year.

COPYRITE LIMITED

REPORT OF THE DIRECTORS

6. Directors responsibilities

The directors are required by UK company law to prepare financial statements for each financial year 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 the profit or loss for the year. In preparing the financial statements, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made. Applicable accounting standards have been used. The directors are responsible for maintaining adequate accounting records, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

7. Year 2000

We have considered the potential impact of the Year 2000 issue on the business and operations of the company, and it is not anticipated that there will be any adverse effect on the company.

By Order of the Board



A ALLCHURCH
Secretary

Registered Office:

Furzehall Farm
Wickham Road
Fareham
Hampshire

COPYRITE LIMITED

ACCOUNTING POLICIES
for the year ended 31st March 1999

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom.

Principal accounting policies

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

a) Turnover

Turnover is the total amount receivable by the company in the ordinary course of business with outside customers for goods supplied as a principal and for services provided, excluding VAT and trade discounts.

b) Depreciation

Depreciation is calculated to write down the cost of all tangible fixed assets over their expected useful lives.

The rates generally applicable are:

Office furniture	20% reducing balance basis
Motor vehicles	25% reducing balance basis
Office equipment	25% straight line basis

c) Stocks

Stocks are stated at the lower of cost and net realisable value.

In the case of consumable stores, cost means purchase price including transport and handling costs, less trade discounts, calculated on a first in first out basis.

Net realisable value means estimated selling price (less trade discounts) less all further costs to completion and all costs to be incurred in marketing, selling and distribution.

COPYRITE LIMITED

ACCOUNTING POLICIES
for the year ended 31st March 1999

d) Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements.

Provision is made for deferred taxation where there is a reasonable probability of the tax falling due for payment in the foreseeable future.

Transfers to and from deferred taxation are calculated at the rate of corporation tax in force at the end of the period in which the transfers are made, adjusting for any changes in rate as compared with the preceding period.

e) Pensions

The company contributes to a money purchase scheme, which is contracted out of the state scheme. Retirement benefit is funded by contributions from the company and its employees.

Payments are made to the money purchase scheme based on individual employees salaries, and exceed the minimum required to contract out of the state scheme.

f) Finance Agreements

Assets acquired under finance agreements are capitalised as fixed assets and the amounts payable under the agreements are recorded as liabilities.

Finance charges are taken to the profit and loss account in proportion to the net balance outstanding.

COPYRITE LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31st March 1999

	<u>Note</u>	<u>1999</u> £	<u>1998</u> £
Turnover	1	139,293	161,029
Cost of sales		(63,834)	(74,892)
Gross profit		75,459	86,137
Administrative expenses		(40,396)	(53,569)
Operating profit		35,063	32,568
Interest payable and similar charges	2	(335)	(595)
Profit on ordinary activities before taxation	1	34,728	31,973
Tax on profit on ordinary activities	4	(7,288)	(4,514)
Profit on ordinary activities after taxation	£	27,440	£ 27,459
Statement of retained profits			
Balance at 1st April 1998		64,444	36,985
Profit for the year		27,440	27,459
Balance at 31st March 1999	£	91,884	£ 64,444

The accounting policies and notes on pages 3 to 4 and 7 to 11 form part of these financial statements.

There are no recognised gains and losses other than those reported above. The profit for the year is the historical cost profit. All activities are continuing.

COPYRITE LIMITED

BALANCE SHEET at 31st March 1999

	<u>Note</u>	<u>1999</u>	<u>1998</u>
		£	£
Fixed assets			
Tangible assets	5	2,308	3,229
Current assets			
Stocks	6	1,570	1,864
Debtors	7	94,048	71,905
Cash at bank		16,551	10,324
		<u>112,169</u>	<u>84,093</u>
Creditors: amounts falling due within one year	8	(22,493)	(22,778)
		<u>89,676</u>	<u>61,315</u>
Net current assets			
		89,676	61,315
Total assets after current assets		<u>£91,984</u>	<u>£64,544</u>
Capital and Reserves			
Called up share capital	10	100	100
Profit and loss account		91,884	64,444
Equity Shareholders' funds	13	<u>£91,984</u>	<u>£64,544</u>

Advantage has been taken of the audit exemptions available for small companies conferred by section 249A (1) of the Companies Act 1985 on the grounds:

- that for the year ended 31 March 1999 the company was entitled to the exemption from a statutory audit under section 249A (1) of the Companies Act 1985, and
- that no notice has been deposited under section 249B (2) of the Companies Act 1985 in relation to the financial statements for the financial year.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps proper accounting records which comply with section 221 of the Companies Act 1985; and
- preparing the financial statements which give a true and fair view of the state of the affairs of the company at 31 March 1999 and of its profit for the year then ended in accordance with the requirements of section 226 of the Companies Act 1985, and otherwise comply with the requirements of the Companies Act 1985 relating to financial statements so far as applicable to the company.

The financial statements were approved by the Board of Directors on 19 January 2000.

MRS S R EVANS)
) DIRECTORS
)
 MRS A ALLCHURCH)

Susan Evans
A Allchurch

COPYRITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 1999

1. Turnover and profit for the year.

The turnover and profit before taxation are attributable to one activity, the provision of a range of services related to the construction industry.

Profit on ordinary activities is stated after:	1999	1998
	£	£
Depreciation	921	1,122
Lease rental charges	7,914	7,206
	-----	-----

2. Interest payable and similar charges	1999	1998
	£	£

On bank loans, overdrafts and other loans - repayable within 5 years, otherwise than by instalments	335	595
	£ 335	£ 595
	-----	-----

3. Directors and employees

Emoluments of the directors	1999	1998
	£	£
Management remuneration	14,500	23,500
Other emoluments - benefits in kind	3,305	3,305
	£17,805	£26,805
	-----	-----

Staff costs including directors	1999	1998
	£	£
Wages and salaries	32,868	42,337
Social security	1,950	2,936
Other pension costs	384	384
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	£ 35,202	£45,657
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The average number of employees of the company during the period was 5. (1998: 5).

COPYRITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st March 1999

4. Tax on profit on ordinary activities

The taxation credit is based on the profit for the year and is made up as follows:

	1999	1998
	£	£
United Kingdom corporation tax at 21% (1998 23%)	7,288	4,514
Deferred taxation	-	-
	<u>£ 7,288</u>	<u>£ 4,514</u>

5. Tangible fixed assets

	Total	Office furniture	Office equipment	Motor vehicles
	£	£	£	£
Cost				
At 1st April 1998	17,436	10,380	1,569	5,487
Additions	-	-	-	-
Disposals	-	-	-	-
At 31st March 1999	<u>£17,436</u>	<u>10,380</u>	<u>1,569</u>	<u>5,487</u>
Depreciation				
At 1st April 1998	14,207	9,762	984	3,461
Provided in the year	921	123	292	506
Disposals	-	-	-	-
At 31st March 1999	<u>£15,128</u>	<u>9,885</u>	<u>1,276</u>	<u>3,967</u>
Net book amount 31st March 1999	<u>£ 2,308</u>	<u>495</u>	<u>293</u>	<u>1,520</u>
Net book amount 31st March 1998	<u>£ 3,229</u>	<u>618</u>	<u>585</u>	<u>2,026</u>

COPYRITE LIMITED

NOTES TO THE ACCOUNTS (continued)
for the year ended 31st March 1999

6. Stocks

	<u>1999</u>	<u>1998</u>
	£	£
Consumable stores	£ 1,570	£1,864

7. Debtors

	<u>1999</u>	<u>1998</u>
	£	£
Amounts falling due within one year:		
Trade debtors	14,754	8,506
Amounts due from related companies	78,242	62,333
Prepayments and accrued income	1,052	1,066
	<u>£94,048</u>	<u>£71,905</u>

8. Creditors - amounts falling due within one year

	<u>1999</u>	<u>1998</u>
	£	£
Trade creditors	9,004	14,024
Social security and other taxes	5,187	2,295
Accruals	1,014	1,945
Corporation Tax	7,288	4,514
	<u>£22,493</u>	<u>£22,778</u>

COPYRITE LIMITED

NOTES TO THE ACCOUNTS (continued)
for the year ended 31st March 1999

9. Provision for liabilities and charges

	Full Provision	
	1999	1998
Deferred Tax	£	£
At 1st April 1998	-	-
Transfer from profit and loss account	-	-
	<hr/>	<hr/>
At 31st March 1999	£ -	£ -
	<hr/>	<hr/>

10. Called up share capital

	1999	1998
Authorised, allotted and fully paid	<hr/>	<hr/>
100 ordinary shares of £1 each	£100	£100
	<hr/>	<hr/>

11. Capital commitments

The company had no capital commitments at 31st March 1999 (1998 £Nil)

12. Cash flow statement

The company qualifies as a small company under the requirements of FRS 1. As a consequence it is exempt from the requirement to publish a cash flow statement.

13. Reconciliation of movements in Equity Shareholders' funds

	1999	1998
	<hr/>	<hr/>
At 1st April 1998	64,544	37,085
Profit for the year	27,440	27,459
	<hr/>	<hr/>
At 31st March 1999	£91,984	£64,544
	<hr/>	<hr/>

COPYRITE LIMITED

NOTES TO THE ACCOUNTS (continued)
for the year ended 31st March 1999

14. Related party disclosures

During the year to 31 March 1999, the company made sales to HGP Greentree Allchurch & Evans Limited. HGP GAE Ltd is wholly owned by Mr H Greentree (48%), Mr P Allchurch (32%) and Mr P Evans (20%). These are the husbands of the shareholding directors of Copyrite Ltd.

The value of these services rendered during the year was £ 93,121.

Additionally HGP GAE Ltd has made payments on behalf of Copyrite Ltd for the sum of £97,079 (of which £3,143 was recharged with regards to a photocopier lease) for which HGP GAE Ltd has recharged Copyrite Ltd through the intercompany account. The balances outstanding at the year end are a sales ledger balance of £18,806, and an intercompany account balance of £59,436. The total amount of £78,242 is included within the "Amounts due from related companies"

15. Ultimate controlling parties

The directors regard the ultimate controlling parties of Copyrite Ltd to be the three directors who together own 100% of the share capital of the company.