

REGISTERED NUMBER: 1871250 (England and Wales)

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2005

FOR

FINE CUT GRAPHIC IMAGING LIMITED



FINE CUT GRAPHIC IMAGING LIMITED

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FOR THE YEAR ENDED 30TH SEPTEMBER 2005**

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FINE CUT GRAPHIC IMAGING LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30TH SEPTEMBER 2005

DIRECTORS: P Tyler
Mrs C E Tyler

SECRETARY: Mrs C E Tyler

REGISTERED OFFICE: The Courtyard
Beeding Court
Steyning
West Sussex
BN44 3TN

REGISTERED NUMBER: 1871250 (England and Wales)

AUDITORS: Russell New
Registered Auditors
The Courtyard
Beeding Court
Steyning
West Sussex
BN44 3TN

**REPORT OF THE INDEPENDENT AUDITORS TO
FINE CUT GRAPHIC IMAGING LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages three to six, together with the financial statements of Fine Cut Graphic Imaging Limited for the year ended 30th September 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Russell New
Registered Auditors
The Courtyard
Beeding Court
Steyning
West Sussex
BN44 3TN



Date: 14/8/06

FINE CUT GRAPHIC IMAGING LIMITED

**ABBREVIATED BALANCE SHEET
30TH SEPTEMBER 2005**

	Notes	2005 £	2004 £
FIXED ASSETS			
Intangible assets	2	59,946	-
Tangible assets	3	612,438	541,185
Investments	4	-	-
		<u>672,384</u>	<u>541,185</u>
CURRENT ASSETS			
Stocks		101,560	20,620
Debtors		335,142	302,195
Cash at bank and in hand		3,158	487
		<u>439,860</u>	<u>323,302</u>
CREDITORS			
Amounts falling due within one year	5	<u>622,586</u>	<u>394,946</u>
NET CURRENT LIABILITIES		<u>(182,726)</u>	<u>(71,644)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>489,658</u>	<u>469,541</u>
CREDITORS			
Amounts falling due after more than one year	5	(190,107)	(181,656)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(9,548)</u>	<u>(9,298)</u>
NET ASSETS		<u><u>290,003</u></u>	<u><u>278,587</u></u>
CAPITAL AND RESERVES			
Called up share capital	6	15,090	15,090
Profit and loss account		<u>274,913</u>	<u>263,497</u>
SHAREHOLDERS' FUNDS		<u><u>290,003</u></u>	<u><u>278,587</u></u>

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

ON BEHALF OF THE BOARD:


P. Tyler - Director

Approved by the Board on 14.8.06

The notes form part of these abbreviated accounts

FINE CUT GRAPHIC IMAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2005

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2005, is being amortised evenly over its estimated useful life of two years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on cost and over the term of the lease

Stocks

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

Deferred tax

Deferred taxation has not been provided in these accounts as, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future. This does not comply with the Financial Reporting Standard for Smaller Entities (effective June 2002) paragraph 9.3. If full provision for deferred taxation was made in these accounts, there would be a liability at 30 September 2005 of £96,522 (2004: £94,824).

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Foreign currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which transactions occur, except for:

(i) monetary assets and liabilities which are translated at the rate ruling at the balance sheet date (other than those in (ii) below); and

(ii) transactions to be settled at a contracted rate and trading transactions covered by a related or matching forward contract which are translated at those contracted rates.

Differences arising on the translation of such items are dealt with in the profit and loss account.

FINE CUT GRAPHIC IMAGING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2005**

1. ACCOUNTING POLICIES - continued

Warranties

Provision is made for the liability existing at the balance sheet date for warranties on sales made during the year.

2. INTANGIBLE FIXED ASSETS

	Total £
COST	
Additions	84,630
At 30th September 2005	<u>84,630</u>
AMORTISATION	
Charge for year	24,684
At 30th September 2005	<u>24,684</u>
NET BOOK VALUE	
At 30th September 2005	<u><u>59,946</u></u>

3. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1st October 2004	984,625
Additions	118,786
Disposals	(31,826)
At 30th September 2005	<u>1,071,585</u>
DEPRECIATION	
At 1st October 2004	443,440
Charge for year	45,688
Eliminated on disposal	(29,981)
At 30th September 2005	<u>459,147</u>
NET BOOK VALUE	
At 30th September 2005	<u><u>612,438</u></u>
At 30th September 2004	<u><u>541,185</u></u>

4. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
Additions	101,575
Impairments	(101,575)
At 30th September 2005	<u>-</u>
NET BOOK VALUE	
At 30th September 2005	<u><u>-</u></u>

FINE CUT GRAPHIC IMAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 30TH SEPTEMBER 2005

4. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following:

Circuitape Limited

Nature of business: Silk screen printers and label manufactures

	%	
Class of shares:	holding	
Ordinary	100.00	
		2005
		£
Loss for the year		<u>(60,453)</u>

On 30 September 2005 the assets, liabilities and trade was transferred to the parent company.

5. CREDITORS

The following secured debts are included within creditors:

	2005	2004
	£	£
Bank overdrafts	170,368	61,599
Bank loans	216,151	172,170
	<u>386,519</u>	<u>233,769</u>

6. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2005	2004
			£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2005	2004
			£	£
15,090	Ordinary	£1	<u>15,090</u>	<u>15,090</u>

7. RELATED PARTY DISCLOSURES

The company was controlled throughout the year under review by P R Tyler. This is by virtue of the fact that he owns the majority of the voting share capital of the company.

During the year management charges of £105,000 were paid by the company to Circuitape Limited, a subsidiary of the company.

At the balance sheet date the company owed the directors £4,267 (2004: owed to the company £64,733) and £14,092 (2004: £13,000) to Valley Graphics Limited, a company controlled by the directors.