

Registrar

KEYLINE CREATIVE SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002



Weeden, Hattersley, Mead & Co.
Chartered Certified Accountants
Rickmansworth, Herts. WD3 1RD

Company No. 2858163 (England and Wales)

Keyline Creative Services limited
Report and Financial Statements
for the year ended 30 June 2002

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Directors' Report for the year ended 30 June 2002

The Directors present their report and the financial statements for the year ended 30 June 2002.

Statement of Directors' responsibilities

The directors are required by 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, total recognised gains or losses and cash flows of the company for that period. The directors confirm their responsibility to ensure that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the year ended 30 June 2002. The directors also confirm their responsibility to 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 maintaining adequate accounting records, for safeguarding the assets of the company, and for taking reasonable steps to prevent and detect fraud and other irregularities.

Principal activity


The company's principal activity is the provision of promotional and advertising materials.

Directors

The Directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	2002	2001
R.G. Bottle Esq.	4,000	4,000
Miss S.E. Brown	4,000	4,000

This report is prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the Board on 22 October 2002 and signed on its behalf.


.....
R.G. Bottle
Chairman

Profit and Loss Account
for the year ended 30 June 2002

	Notes	2002	2001
		£	£
Turnover	1 & 2	122,084	179,570
Cost of Sales		27,656	76,863
Gross Profit		94,428	102,707
Administration Expenses		86,818	92,063
Operating Profit/(Loss)	3	7,610	10,644
Interest received		72	113
Interest Payable	4	-	-
Profit/(Loss) on Ordinary Activities before taxation		7,682	10,757
Corporation Tax	5	575	1,162
Profit/(Loss) on Ordinary Activities after taxation		7,107	9,595
Dividends paid		(7,200)	(9,600)
		(93)	(5)
Retained Profit/(Loss) brought forward		5,836	5,841
Retained Profit/(Loss) carried forward		5,743	5,836

Continuing Operations

None of the Company's activities were discontinued during the year.

Total Recognised Gains and Losses

The Company has no recognised gains or losses other than through the Profit and Loss Account.

The notes on pages 4 to 7 form part of these financial statements.

Balance Sheet as at 30 June 2002

	Notes	2002	2001
Fixed Assets		£	£
Tangible Assets	6	<u>3,374</u>	<u>4,499</u>
Current Assets			
Debtors	7	26,694	15,405
Cash at Bank and in hand		<u>361</u>	<u>9,891</u>
		27,055	25,296
Creditors:			
Amounts falling due within one year	8	<u>16,686</u>	<u>15,959</u>
Net Current Assets/(Liabilities)		<u>10,369</u>	<u>9,337</u>
Total Assets less Current Liabilities		<u>13,743</u>	<u>13,836</u>
Creditors:			
Amounts falling due after more than one year	9	<u>-</u>	<u>-</u>
Net Assets/(Liabilities)		<u>13,743</u>	<u>13,836</u>
Capital and Reserves			
Called up Share Capital	10	8,000	8,000
Profit and Loss Account		<u>5,743</u>	<u>5,836</u>
Shareholders' Funds	11	<u>13,743</u>	<u>13,836</u>

In preparing these financial statements the Directors have taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

For the year ended 30 June 2002, the Company is entitled to exemption from audit under section 249A (1) of the Companies Act 1985. No notice has been deposited under section 249B (2) of the Act in relation to its Accounts for the year. The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with Section 221 of the Act, and for preparing Accounts which give a true and fair view of the state of affairs of the Company as at the Balance Sheet date and of its profit or loss for the year then ended, and comply with the requirements of the Act relating to Accounts, so far as applicable to the Company.

The Accounts were approved by the Board of Directors on 22 October 2002



 R.G. Bottle - Director

The notes on pages 4 to 7 form part of these financial statements

Notes to the financial statements
for the year ended 30 June 2002

1. Accounting Policies

(a) Basis of preparation of Accounts

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared in accordance with the financial reporting standard for smaller entities.

(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 & 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 basis:

General Plant	25%	reducing balance basis
Office Furniture & Fittings	25%	reducing balance basis

(d) Stock and Work in Progress

Stock and work in progress is valued at the lesser of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

(e) Pensions

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

Notes to the financial statements
for the year ended 30 June 2002

2. Turnover

The whole of the turnover and profit before taxation is attributable to the one principal activity of the Company, producing advertising and promotional material. All turnover is generated in the U.K.

3. Operating Profit/(Loss)	2002	2001
Operating Profit is stated after charging:	£	£
Pension contributions	7,200	7,200
Depreciation of tangible fixed assets - owned by the Company	1,125	1,500

4. Interest Payable

On Bank loans, overdrafts	-	-
Other loans	-	-
Repayable within 5 years, by instalments	-	-
	<hr/>	<hr/>

5. Tax on Profit on Ordinary Activities

Charge for taxation based on the profit for the year @ 10% (2001 20%)	575	1,162
Less adjustment for prior year	-	-
	<hr/>	<hr/>
	575	1,162
	<hr/>	<hr/>

Notes to the financial statements
for the year ended 30 June 2002

6. Fixed Assets	Plant & Equipment	Furniture & Fittings	Total
Cost	£	£	£
As at 1 July 2001	18,613	2,908	21,521
Additions	-	-	-
Disposals	-	-	-
As at 30 June 2002	<u>18,613</u>	<u>2,908</u>	<u>21,521</u>
Depreciation			
As at 1 July 2001	14,821	2,201	17,022
Charge for year	948	177	1,125
Disposals	-	-	-
As at 30 June 2002	<u>15,769</u>	<u>2,378</u>	<u>18,147</u>
Net Book Values			
At 30 June 2002	<u>2,844</u>	<u>530</u>	<u>3,374</u>
At 30 June 2001	<u>3,792</u>	<u>707</u>	<u>4,499</u>

Notes to the financial statements
for the year ended 30 June 2002

7.	Debtors	2002	2001
	Amounts due within one year	£	£
	Trade Debtors	25,420	14,453
	Prepayments	1,274	952
		<u>26,694</u>	<u>15,405</u>
8.	Creditors		
	Amounts payable within one year		
	Trade creditors	7,888	5,786
	Other Taxes and Social Security	7,073	5,326
	Other Creditors	1,150	3,685
	Corporation Tax	575	1,162
		<u>16,686</u>	<u>15,959</u>
9.	Creditors		
	Amounts falling due after more than one year	-	-
10.	Share Capital		
	Authorised		
	25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
	Allotted, Issued and fully paid		
	8,000 Ordinary shares of £1 each	<u>8,000</u>	<u>8,000</u>
11.	Movement on Shareholders' Funds		
	Profit for year	7,107	9,595
	Less dividends paid	(7,200)	(9,600)
		<u>(93)</u>	<u>(5)</u>
	Opening Shareholders' Funds	<u>13,836</u>	<u>13,841</u>
	Closing Shareholders Funds	<u>13,743</u>	<u>13,836</u>
12.	Related Party Transactions		

The day to day management of the Company is carried out by the Directors. No other related party transactions arise.