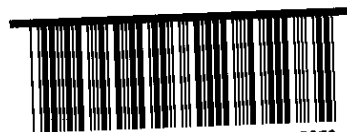


**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2000**  
**FOR**  
**PARAGON INKS (HOLDINGS) LIMITED**



SCT      SNTM4323      0659  
COMPANIES HOUSE      09/08/01

*2*

**PARAGON INKS (HOLDINGS) LIMITED**

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**for the Year Ended 31 December 2000**

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**PARAGON INKS (HOLDINGS) LIMITED**

**COMPANY INFORMATION**

**for the Year Ended 31 December 2000**

<b>DIRECTOR:</b>	G Merten
<b>SECRETARY:</b>	HBJ Secretarial Limited
<b>REGISTERED OFFICE:</b>	Brocks Way East Mains Industrial Estate Broxburn West Lothian EH52 5AY
<b>REGISTERED NUMBER:</b>	SC 177007 (Scotland)
<b>AUDITORS:</b>	BKR Haines Watts Chartered Accountants Registered Auditors 18 Alva Street Edinburgh EH2 4QN
<b>SOLICITORS:</b>	Henderson Boyd Jackson 19 Ainslie Place Edinburgh EH3 6AU

**PARAGON INKS (HOLDINGS) LIMITED**

**REPORT OF THE INDEPENDENT AUDITORS TO  
PARAGON INKS (HOLDINGS) LIMITED  
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 December 2000 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of director and auditors**

The director is responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

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 financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

*BKR Haines Watts*

BKR Haines Watts  
Chartered Accountants  
Registered Auditors  
18 Alva Street  
Edinburgh  
EH2 4QN

Dated: *6 August 2001*

**PARAGON INKS (HOLDINGS) LIMITED**

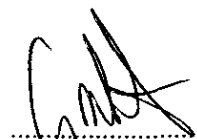
**ABBREVIATED BALANCE SHEET**

**31 December 2000**

		31.12.00		31.12.99	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	2		153,597		148,058
Investments	3		275,000		275,000
			<u>428,597</u>		<u>423,058</u>
<b>CURRENT ASSETS:</b>					
Stocks		334,517		306,156	
Debtors		599,192		638,866	
Cash at bank and in hand		374,587		154,511	
		<u>1,308,296</u>		<u>1,099,533</u>	
<b>CREDITORS: Amounts falling due within one year</b>	4	596,193		681,030	
<b>NET CURRENT ASSETS:</b>			<u>712,103</u>		<u>418,503</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>1,140,700</u>		<u>841,561</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	4		427,778		474,909
			<u>£712,922</u>		<u>£366,652</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	5		25,000		25,000
Profit and loss account			687,922		341,652
<b>SHAREHOLDERS' FUNDS:</b>			<u>£712,922</u>		<u>£366,652</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**



G Merten - DIRECTOR

Approved by the Board on 26/06/2001

The notes form part of these financial statements

## **PARAGON INKS (HOLDINGS) LIMITED**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Year Ended 31 December 2000**

#### **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 March 2000).

##### **Turnover**

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

##### **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.

Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost

##### **Stocks**

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

##### **Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

##### **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.

##### **Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

##### **Consolidation**

The company has claimed exemption under section 248 of the Companies Act 1985 from the preparation of group accounts on the grounds that the group is small.

The accounts present information about Paragon Inks (Holdings) Limited as an individual undertaking and not about its group.

**PARAGON INKS (HOLDINGS) LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
for the Year Ended 31 December 2000**

**2. TANGIBLE FIXED ASSETS**

	<u>Total</u>
	£
<b>COST:</b>	
At 1 January 2000	218,086
Additions	58,706
Disposals	<u>(3,230)</u>
At 31 December 2000	<u>273,562</u>
<b>DEPRECIATION:</b>	
At 1 January 2000	70,027
Charge for year	50,584
Eliminated on disposals	<u>(646)</u>
At 31 December 2000	<u>119,965</u>
<b>NET BOOK VALUE:</b>	
At 31 December 2000	<u>153,597</u>
At 31 December 1999	<u>148,058</u>

**3. FIXED ASSET INVESTMENTS**

	£
<b>COST:</b>	
At 1 January 2000 and 31 December 2000	<u>275,000</u>
<b>NET BOOK VALUE:</b>	
At 31 December 2000	<u>275,000</u>
At 31 December 1999	<u>275,000</u>

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

**Paragon Inks Limited**

Nature of business: Property investment

	%
Class of shares:	holding
Ordinary	100.00

	31.3.00	31.3.99
	£	£
Aggregate capital and reserves	305,586	315,388
Loss for the period	<u>(9,802)</u>	<u>(11,436)</u>

**PARAGON INKS (HOLDINGS) LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**for the Year Ended 31 December 2000**

**4. CREDITORS**

The following secured debts are included within creditors:

	31.12.00	31.12.99
	£	£
Bank loans	449,904	497,970
Hire purchase contracts	45,302	35,262
	<u>495,206</u>	<u>533,232</u>

Creditors include the following debts falling due in more than five years:

	31.12.00	31.12.99
	£	£
Repayable by instalments		
Bank loans	<u>147,641</u>	<u>234,485</u>

**5. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.00	31.12.99
			£	£
25,000	Ordinary	£1	<u>25,000</u>	<u>25,000</u>