

COMPANIES HOUSE
No: 2197452

**REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002
FOR
ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**


A78
COMPANIES HOUSE
#AONKBPNG# 0217
30/10/03

B

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditors	3
Profit and Loss Account	4
Balance Sheet	5
Cash Flow Statement	6
Notes to the Cash Flow Statement	7
Notes to the Financial Statements	9

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

DIRECTOR: Ms I Weiss

SECRETARY: D Mortimer

REGISTERED OFFICE: Intercell House
1 Coldhams Lane
Cambridge
CB1 3EP

REGISTERED NUMBER: 02197452

AUDITORS: Chater Allan
Chartered Accountants
& Registered Auditors
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

The director presents her report with the financial statements of the company for the year ended 30 September 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of technical translation services.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 30 September 2002.

DIRECTOR

Ms I Weiss was the sole director during the year under review.

Her beneficial interest in the issued share capital of the company was as follows:

	30.9.02	1.10.01
Ordinary £1 shares	550	550

POTENTIAL IMPACT OF THE EURO

The director has considered the potential impact of the introduction of the Euro on the company's business. In the opinion of the director there will be no material adverse effect on, or material cost to the company as a result of the introduction of the Euro.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable her to ensure that the financial statements comply with the Companies Act 1985. She is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Chater Allan, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
Ms I Weiss - Director

Date: 27th Oct. 2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

We have audited the financial statements of Alpha Calligraphic Research Cambridge Limited for the year ended 30 September 2002 on pages four to fourteen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

As described on page two the company's director is responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Director is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the Report of the Director and consider the implications for our report if we become aware of any apparent misstatements within it.

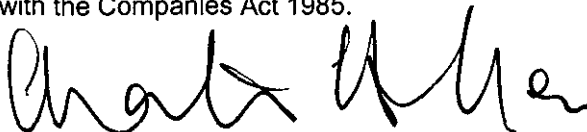
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chater Allan
Chartered Accountants
& Registered Auditors
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

Date: 29 October 2003

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

		2002	2001
	Notes	£	£
TURNOVER		3,183,321	2,819,074
Cost of sales		<u>2,357,956</u>	<u>2,094,672</u>
GROSS PROFIT		825,365	724,402
Administrative expenses		<u>727,905</u>	<u>793,643</u>
		97,460	(69,241)
Other operating income		<u>2,844</u>	<u>1,417</u>
OPERATING PROFIT/(LOSS)	3	100,304	(67,824)
Interest receivable and similar income		<u>549</u>	<u>20</u>
		100,853	(67,804)
Interest payable and similar charges	4	<u>16,072</u>	<u>7,672</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		84,781	(75,476)
Tax on profit/(loss) on ordinary activities	5	<u>17,681</u>	<u>(10,496)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		67,100	(64,980)
Retained profit brought forward		<u>105,698</u>	<u>170,678</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>£172,798</u></u>	<u><u>£105,698</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**BALANCE SHEET
30 SEPTEMBER 2002**

		2002		2001	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		176,662		164,844
CURRENT ASSETS:					
Stocks	7	-		9,623	
Debtors	8	922,621		550,837	
Cash at bank and in hand		10,548		61,807	
			933,169		622,267
CREDITORS: Amounts falling due within one year	9	934,033		673,413	
NET CURRENT LIABILITIES:			(864)		(51,146)
TOTAL ASSETS LESS CURRENT LIABILITIES:			175,798		113,698
PROVISIONS FOR LIABILITIES AND CHARGES:	13		2,000		7,000
			£173,798		£106,698
CAPITAL AND RESERVES:					
Called up share capital	14		1,000		1,000
Profit and loss account			172,798		105,698
SHAREHOLDERS' FUNDS:	16		£173,798		£106,698

ON BEHALF OF THE BOARD:

I. Weiss
.....
Ms I Weiss - Director

Approved by the Board on *27th Oct. 2003*
.....

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

		2002	2001
	Notes	£	£
Net cash (outflow)/inflow from operating activities	1	(143,103)	4,616
Returns on investments and servicing of finance	2	(15,623)	(8,615)
Taxation		21,910	(24,816)
Capital expenditure	2	(118,034)	(88,583)
Equity dividends paid		-	(7,000)
		<u>(254,850)</u>	<u>(124,398)</u>
Financing	2	-	(15,993)
Decrease in cash in the period		<u>£(254,850)</u>	<u>£(140,391)</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		<u>(254,850)</u>	<u>(140,391)</u>
Change in net debt resulting from cash flows		<u>(254,850)</u>	<u>(140,391)</u>
Movement in net debt in the period		<u>(254,850)</u>	<u>(140,391)</u>
Net (debt)/funds at 1 October		<u>(5,184)</u>	<u>135,207</u>
Net debt at 30 September		<u>£(260,034)</u>	<u>£(5,184)</u>

The notes form part of these financial statements

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2002 £	2001 £
Operating profit/(loss)	100,304	(67,824)
Depreciation charges	106,216	104,228
Decrease/(Increase) in stocks	9,623	(9,623)
Increase in debtors	(391,164)	(121,526)
Increase in creditors	31,918	99,361
	<u> </u>	<u> </u>
Net cash (outflow)/inflow from operating activities	<u>(143,103)</u>	<u>4,616</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	549	20
Interest paid	(11,696)	(4,648)
Interest element of hire purchase or finance lease rentals payments	(4,476)	(3,987)
	<u> </u>	<u> </u>
Net cash outflow for returns on investments and servicing of finance	<u>(15,623)</u>	<u>(8,615)</u>
 Capital expenditure		
Purchase of tangible fixed assets	(118,034)	(88,583)
	<u> </u>	<u> </u>
Net cash outflow for capital expenditure	<u>(118,034)</u>	<u>(88,583)</u>
 Financing		
Loan repayments in year	-	(15,993)
	<u> </u>	<u> </u>
Net cash outflow from financing	<u>-</u>	<u>(15,993)</u>

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/10/01 £	Cash flow £	At 30/9/02 £
Net cash:			
Cash at bank and in hand	61,807	(51,259)	10,548
Bank overdrafts	(66,991)	(203,591)	(270,582)
	<u>(5,184)</u>	<u>(254,850)</u>	<u>(260,034)</u>
Total	<u>(5,184)</u>	<u>(254,850)</u>	<u>(260,034)</u>
Analysed in Balance Sheet			
Cash at bank and in hand	61,807		10,548
Bank overdrafts	(66,991)		(270,582)
	<u>(5,184)</u>		<u>(260,034)</u>

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

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.

Lease premium	- in accordance with the property
Fixtures, fittings and office equipment	- 10% on cost
Motor vehicles	- 25% on cost
Computer equipment & software	- at varying rates 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 tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

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.

2. STAFF COSTS

	2002	2001
	£	£
Wages and salaries	1,471,544	1,491,125
Social security costs	141,226	149,693
Other pension costs	3,510	11,493
	<u>1,616,280</u>	<u>1,652,311</u>

The average monthly number of employees during the year was as follows:

	2002	2001
Number of employees	<u>79</u>	<u>89</u>

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

3. OPERATING PROFIT/(LOSS)

The operating profit (2001 - operating loss) is stated after charging:

	2002 £	2001 £
Hire of plant and machinery	-	3,871
Depreciation - owned assets	106,216	104,228
Auditors' remuneration	4,233	5,850
	<u> </u>	<u> </u>
Director's emoluments	66,600	72,000
	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
Bank overdraft interest paid	9,953	3,685
Interest on tax	1,643	-
Leasing	4,476	3,987
	<u> </u>	<u> </u>
	16,072	7,672
	<u> </u>	<u> </u>

5. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	2002 £	2001 £
Current tax:		
UK corporation tax	22,711	(17,388)
Under/(over) provision of tax from previous year	(30)	(108)
	<u> </u>	<u> </u>
Total current tax	22,681	(17,496)
Deferred taxation	(5,000)	7,000
	<u> </u>	<u> </u>
Tax on profit/(loss) on ordinary activities	17,681	(10,496)
	<u> </u>	<u> </u>

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

5. TAXATION - continued

Factors affecting the tax charge/(credit)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2002 £	2001 £
Profit/(loss) on ordinary activities before tax	<u>84,781</u>	<u>(75,476)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2001 - 20%)	16,108	(15,095)
Effects of:		
Depreciation in excess of capital allowances	6,156	-
Capital allowances in excess of depreciation	-	(1,864)
Expenditure not deductible for tax purposes (primarily entertaining)	(134)	2,770
Reduction in the rate of corporation tax during the year	581	-
Lease capital payments	-	(3,199)
Over provision in previous years	<u>(30)</u>	<u>(108)</u>
Current tax charge/(credit)	<u>22,681</u>	<u>(17,496)</u>

6. TANGIBLE FIXED ASSETS

	Lease premium	Fixtures, fittings and office equipment	Motor vehicles	Computer equipment & software	Totals
	£	£	£	£	£
COST:					
At 1 October 2001	25,818	144,751	22,559	324,338	517,466
Additions	-	443	8,300	109,291	118,034
At 30 September 2002	<u>25,818</u>	<u>145,194</u>	<u>30,859</u>	<u>433,629</u>	<u>635,500</u>
DEPRECIATION:					
At 1 October 2001	9,178	86,908	13,188	243,348	352,622
Charge for year	4,907	14,258	5,199	81,852	106,216
At 30 September 2002	<u>14,085</u>	<u>101,166</u>	<u>18,387</u>	<u>325,200</u>	<u>458,838</u>
NET BOOK VALUE:					
At 30 September 2002	<u>11,733</u>	<u>44,028</u>	<u>12,472</u>	<u>108,429</u>	<u>176,662</u>
At 30 September 2001	<u>16,641</u>	<u>57,843</u>	<u>9,371</u>	<u>80,989</u>	<u>164,844</u>

7. STOCKS

	2002 £	2001 £
Work in progress	<u>-</u>	<u>9,623</u>

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

**8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2002 £	2001 £
V.A.T.	-	2,258
Trade debtors	763,370	335,069
Other debtors	62,874	40,092
Prepayments & accrued income	76,491	134,152
Taxation recoverable	19,886	39,266
	<u>922,621</u>	<u>550,837</u>

**9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2002 £	2001 £
Bank loans and overdrafts (see note 10)	270,582	66,991
Trade creditors	167,235	141,193
Other creditors	15,308	14,368
V.A.T.	18,297	-
Social security & other taxes	170,411	327,114
Receipts in advance	1,401	45,781
Taxation	28,024	2,813
Accruals	262,775	75,153
	<u>934,033</u>	<u>673,413</u>

10. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2002 £	2001 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>270,582</u>	<u>66,991</u>

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

11. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	Land and buildings operating leases	
	2002 £	2001 £
Expiring:		
Within one year	60,000	-
Between one and five years	8,500	104,000
In more than five years	-	8,500
	<u>68,500</u>	<u>112,500</u>

12. SECURED DEBTS

The following secured debts are included within creditors:

	2002 £	2001 £
Bank overdrafts	<u>270,582</u>	<u>66,991</u>

13. PROVISIONS FOR LIABILITIES AND CHARGES

	2002 £	2001 £
Deferred tax	<u>2,000</u>	<u>7,000</u>

	Deferred tax £	Unprovided deferred tax £
Balance at 1 October 2001	7,000	4,500
Deferred tax reduction	(5,000)	-
Balance at 30 September 2002	<u>2,000</u>	<u>4,500</u>

	2002 £	2001 £
Deferred tax provision		
Accelerated capital allowances	<u>2,000</u>	<u>7,000</u>
	<u>2,000</u>	<u>7,000</u>

14. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002 £	2001 £
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

**ALPHA CALLIGRAPHIC RESEARCH
CAMBRIDGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

15. RELATED PARTY DISCLOSURES

The company is controlled by the director, Ms I E Weiss.

During the year the company had the following related party transactions with Data Factory a soletradership in which Mr P Nash, a shareholder in this company is the proprietor:-

Consultancy charges of £22,400 (2001: £67,605). Purchases of software from Data Factory £60,000 (2001: £nil). At 30 September 2002 the company owed £nil to Data Factory, net of accrued invoices (2001: £355).

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Profit/(Loss) for the financial year	67,100	(64,980)
Net addition/(reduction) to shareholders' funds	<u>67,100</u>	<u>(64,980)</u>
Opening shareholders' funds	106,698	171,678
Closing shareholders' funds	<u><u>173,798</u></u>	<u><u>106,698</u></u>
Equity interests	<u>173,798</u>	<u>106,698</u>