

30/09/95

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 SEPTEMBER 1995



ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

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ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

**COMPANY INFORMATION
AS AT 30 SEPTEMBER 1995**

DIRECTORS

P M Nedo
Ms I E Weiss

SECRETARY

Ms I E Weiss

REGISTERED NUMBER

02197452

REGISTERED OFFICE

Intercell House
1 Coldhams Lane
Cambridge
CB1 3EP

AUDITORS

Chater Allan
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 30 September 1995.

PRINCIPAL ACTIVITIES

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

REVIEW OF THE BUSINESS

The net profit after providing for taxation amounted to £21,725.

The directors are pleased to report a profit for the year and expect that this trend will continue in the future.

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend a dividend.

It is proposed that the retained profit for the year of £21,725 be transferred to reserves.

FIXED ASSETS

Full details of all movements in fixed assets during the year are set out in the notes to the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

	Number of Shares	
	1995	1994
P M Nedo	-	-
Ms I E Weiss	100	100

DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable Accounting Standards, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

DIRECTORS' REPORT

AUDITORS

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

By order of the board:



Ms I E Weiss
Secretary

30th July 97

Approved by the board:

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and on the basis of accounting policies set out on pages 7 and 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the Directors' Report, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

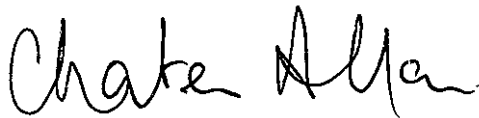
BASIS OF OPINION

We conducted our audit in accordance with 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 directors 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 as to whether 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 affairs of the company as at 30 September 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



.....
Chater Allan
Registered Auditors
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

30th July 1997.

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

	Notes	1995 £	1994 £
TURNOVER		1,137,434	796,649
Cost of sales		693,608	566,913
GROSS PROFIT		443,826	229,736
Administrative expenses		409,647	259,131
		34,179	(29,395)
Other operating income		13	1,176
OPERATING PROFIT	2	34,192	(28,219)
Investment income and interest receivable		169	720
Interest payable and similar charges	3	(3,486)	(3,013)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		30,875	(30,512)
Tax on profit on ordinary activities	5	(9,150)	7,403
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		21,725	(23,109)
Dividends	6	-	(2,750)
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR	13	21,725	(25,859)

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Total recognised gains and losses

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 7 to 12 form part of these financial statements.

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

BALANCE SHEET
AT 30 SEPTEMBER 1995

	Notes	1995		1994	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		109,889		58,195
CURRENT ASSETS					
Stocks	8	109,873		49,069	
Debtors	9	244,276		292,634	
Cash at bank and in hand		30,689		4,264	
		<u>384,838</u>		<u>345,967</u>	
CREDITORS: amounts falling due within one year	10	(405,236)		(340,987)	
NET CURRENT LIABILITIES			<u>(20,398)</u>		<u>4,980</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			89,491		63,175
CREDITORS: amounts falling due after more than one year	11		(4,591)		-
NET ASSETS			<u>84,900</u>		<u>63,175</u>
CAPITAL AND RESERVES					
Called up share capital	12		100		100
Profit and loss account	13		84,800		63,075
EQUITY SHAREHOLDERS' FUNDS	14		<u>84,900</u>		<u>63,175</u>

The financial statements were approved by the board of directors on and signed on its behalf by:

30/7/97

i. Weiss.

Ms I E Weiss
Director

The notes on pages 7 to 12 form part of these financial statements.

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1995

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial statements.

(a) Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

(b) Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Turnover is generated from the principal activities of the company carried on in the United Kingdom.

(c) Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Computer equipment	33% on cost
Lease premium and improvements	Over the term of the lease
Motor vehicles	25% on cost
Office furniture, fittings and equipment	10% on cost

(d) Work in progress

Work in progress, which consists of short-term contracts, is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is calculated as the direct cost of services provided by both internal and external translators plus attributable overheads.

(e) Deferred taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

(f) 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 the transaction. Exchange differences are taken to the profit and loss account.

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1995

1. STATEMENT OF ACCOUNTING POLICIES - (continued)

(g) **Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

2. **OPERATING PROFIT**

Operating profit is stated:

After charging:

	1995 £	1994 £
Depreciation of fixed assets	45,248	27,782
Amortisation	291	291
(Profit)/loss on disposal of fixed assets	-	(282)
Auditors' remuneration	3,905	2,742
(Profit)/loss on foreign exchange	(1,156)	2,547

3. **INTEREST PAYABLE AND SIMILAR CHARGES**

	1995 £	1994 £
On bank loans and overdrafts	2,059	2,216
Lease finance charges and hire purchase interest	549	33
Other interest	878	764
	<u>3,486</u>	<u>3,013</u>

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1995

4. INFORMATION ON DIRECTORS AND EMPLOYEES

	1995 £	1994 £
Staff costs		
Wages and salaries	512,984	404,307
Social security costs	50,562	40,654
	<u>563,546</u>	<u>444,961</u>

	1995 No.	1994 No.
The average number of employees during the year was made up as follows:		
Number of employees	<u>36</u>	<u>28</u>

	1995 £	1994 £
Directors' emoluments		
Remuneration for management services	<u>45,148</u>	<u>41,884</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1995 £	1994 £
The taxation charge comprises:		
UK corporation tax at 25% (1994 - 25%)	42	(8,500)
Adjustment in respect of prior years	9,108	1,097
	<u>9,150</u>	<u>(7,403)</u>

6. DIVIDENDS PAID OR PROPOSED

	1995 £	1994 £
On ordinary shares:		
Dividend paid in the year	<u>-</u>	<u>2,750</u>

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1995

7. TANGIBLE FIXED ASSETS

	Lease £	Fixtures and fittings £	Computer equipment £	Motor vehicle £	Total £
Cost:					
At 1 October 94	4,000	48,544	96,116	6,550	155,210
Additions	-	16,793	68,615	11,825	97,233
Disposals	-	-	(44,708)	-	(44,708)
At 30 September 95	4,000	65,337	120,023	18,375	207,735
Depreciation:					
At 1 October 94	1,261	11,607	79,643	4,504	97,015
Charge for year	291	6,536	34,118	4,594	45,539
On disposals	-	-	(44,708)	-	(44,708)
At 30 September 95	1,552	18,143	69,053	9,098	97,846
Net book value:					
At 30 September 95	2,448	47,194	50,970	9,277	109,889
At 30 September 94	2,739	36,937	16,473	2,046	58,195

The net book value of motor vehicles includes £8,869 in respect of assets held under finance leases. Depreciation charged in the year on these assets amounted to £2,956.

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

8. WORK IN PROGRESS

	1995 £	1994 £
Short term work in progress	109,873	49,069

9. DEBTORS

	1995 £	1994 £
Trade debtors	230,133	185,558
Other debtors	5,196	95,976
ACT Recoverable	688	798
Corporation tax recoverable	-	8,666
Prepayments and accrued income	8,259	1,636
	244,276	292,634

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1995

10. CREDITORS: amounts falling due within one year

	1995 £	1994 £
Bank loans and overdrafts	-	20,979
Receipts in advance	163,046	33,815
Trade creditors	172,799	127,412
Net obligations under finance leases and hire purchase contracts	3,088	-
Corporation tax	42	13,695
Other taxes and social security costs	26,672	39,735
Directors' current accounts	310	-
Accruals and deferred income	39,279	105,351
	<u>405,236</u>	<u>340,987</u>

11. CREDITORS: amounts falling due after more than one year

	1995 £	1994 £
Net obligations under finance lease and hire purchase contracts	4,591	-
	<u>4,591</u>	<u>-</u>

12. SHARE CAPITAL

	1995 £	1994 £
Authorised:		
Equity interests:		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
Equity interests:		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

13. PROFIT AND LOSS ACCOUNT

	1995 £	1994 £
Retained Profit at 1 October 1994	63,075	88,934
Profit for the year	21,725	(25,859)
Retained profit at 30 September 1995	<u>84,800</u>	<u>63,075</u>

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1995

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995 £	1994 £
Profit for the financial year	21,725	(23,109)
Dividends	-	(2,750)
New share capital subscribed	-	98
Net addition to shareholders' funds	<u>21,725</u>	<u>(25,761)</u>
Opening shareholders' funds	63,175	88,936
Closing shareholders' funds	<u>84,900</u>	<u>63,175</u>
Represented by:-		
Equity interests	<u>84,900</u>	<u>63,175</u>

15. FINANCIAL COMMITMENTS

At the year end the company was committed to making the following payments during the next year in respect of non-cancellable operating leases with expiry dates as follows:

	Land and buildings	
	1997 £	1996 £
More than one year and less than five years	-	26,845
After five years	92,000	8,500
	<u>92,000</u>	<u>35,345</u>