

10/2/00

**'A' PUBLISHING LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 29 FEBRUARY 2000**

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COMPANY No. 2686063



**'A' PUBLISHING LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 29 FEBRUARY 2000**

**COMPANY INFORMATION**

|                    |  |
|--------------------|--|
| DIRECTORS:         | C P Richardson<br>J M S Domingo  |
| SECRETARY:         | J Richardson   |
| REGISTERED OFFICE: | 107 North Street<br>MARTOCK<br>Somerset  |
| COMPANY NUMBER:    | 2686063  |
| ACCOUNTANTS:       | Derek J Read & Co.<br>Chartered Accountants<br>107 North Street<br>MARTOCK<br>Somerset |
| BANKERS:           | National Westminster Bank plc<br>Victoria Place<br>AXMINSTER<br>Devon                  |

## 'A' PUBLISHING LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 29 FEBRUARY 2000

The directors present their report and the financial statements for the year ended 29 February 2000.

#### **Principal Activities**

The principal activities of the company continue to be those of publishing and promotions.

#### **Results**

The company has again made a substantial loss while continuing to develop the project and is insolvent. The liabilities exceed the assets by £602,146. The only major creditors are the directors who have every intention of continuing to finance the company for the foreseeable future. The accounts have been prepared on a going concern basis therefore.

#### **Directors**

The directors who served during the year and their interests in the shares of the company at the end of the year were as follows:

|                | <b>Ordinary shares of £1 each</b> |            |                    |            |
|----------------|-----------------------------------|------------|--------------------|------------|
|                | <b>At 29/02/00</b>                |            | <b>At 28/02/99</b> |            |
|                | <b>'A'</b>                        | <b>'B'</b> | <b>'A'</b>         | <b>'B'</b> |
| C P Richardson | 500                               | 50         | 500                | 50         |
| J M S Domingo  | -                                 | -          | -                  | -          |

#### **Directors Responsibilities**

Company law requires directors 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, directors are 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors are responsible for keeping 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. Directors 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.

This report was approved by the board on .....16.2.2000....., and has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board



**'A' PUBLISHING LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 29 FEBRUARY 2000**

|  | <u>Notes</u> | £            | <u>2000</u><br>£ | £            | <u>1999</u><br>£ |             |
|--|--------------|--------------|------------------|--------------|------------------|-------------|
| TURNOVER   | 1:2          |              | 45               |              | 8588             |             |
| Cost of Sales                                    |              |              | <u>37</u>        |              | <u>3199</u>      |             |
| GROSS PROFIT                                     |              |              | 8                |              | 5389             |             |
| Selling and distribution expenses                |              | 54315        |                  | 46294        |                  |             |
| Administrative expenses                          |              | <u>49256</u> | <u>103571</u>    | <u>43161</u> | <u>89455</u>     |             |
| OPERATING (LOSS)                                 |              |              | (103563)         |              | (84066)          |             |
| Interest payable                                 |              |              | 11               |              | 140              |             |
| Interest receivable                              |              |              | <u>(267)</u>     | <u>(256)</u> | <u>(220)</u>     | <u>(80)</u> |
| (LOSS) ON ORDINARY ACTIVITIES<br>BEFORE TAXATION |              |              | (103307)         |              | (83986)          |             |
| Tax on ordinary activities                       | 3            |              | —                |              | —                |             |
| (LOSS) FOR THE FINANCIAL YEAR                    |              |              | (103307)         |              | (83986)          |             |
| Dividends  | 4            |              | —                |              | —                |             |
| (LOSS) FOR THE YEAR                              |              |              | <u>(103307)</u>  |              | <u>(83986)</u>   |             |

- None of the company's activities were acquired or discontinued during the above two financial years.
- There were no recognised gains or losses other than those recognised in the Profit and Loss Account.
- The loss on ordinary activities before taxation and the retained loss have been calculated on the historical cost basis.
- The notes on pages 7 to 10 form an integral part of these financial statements.

**'A' PUBLISHING LIMITED**

**BALANCE SHEET AS AT 29 FEBRUARY 2000**

|   | <u>Notes</u> | £            | <u>2000</u><br>£ | £            | <u>1999</u><br>£ |
|---|--------------|--------------|------------------|--------------|------------------|
| TANGIBLE FIXED ASSETS                             | 5            |              | 12024            |              | 14250            |
| CURRENT ASSETS                                    |              |              |                  |              |                  |
| Stock and Work in Progress                        |              | 390800       |                  | 344000       |                  |
| Debtors   | 6            | 6361         |                  | 4003         |                  |
| Cash at Bank and in Hand                          |              | <u>20166</u> |                  | <u>12387</u> |                  |
|   |              | 417327       |                  | 360390       |                  |
| CREDITORS: AMOUNTS FALLING DUE<br>WITHIN ONE YEAR | 7            |              | <u>1031497</u>   |              | <u>873479</u>    |
| NET CURRENT (LIABILITIES)                         |              |              | <u>(614170)</u>  |              | <u>(513089)</u>  |
| NET LIABILITIES                                   |              |              | <u>(602146)</u>  |              | <u>(498839)</u>  |
| CAPITAL AND RESERVES                              |              |              |                  |              |                  |
| Called up Share Capital                           | 8            |              | 5050             |              | 5050             |
| Profit and Loss Account                           | 10           |              | <u>(607196)</u>  |              | <u>(503889)</u>  |
| Shareholders' Funds                               | 11           |              | <u>(602146)</u>  |              | <u>(498839)</u>  |

The notes on pages 7 to 10 form an  
integral part of these financial statements

See Directors' Statement on Balance sheet (page 5a)

**'A' PUBLISHING LIMITED**

**DIRECTORS' STATEMENT ON THE BALANCE SHEET**

**AS AT 29 FEBRUARY 2000**

For the year in question, the directors are satisfied that the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985 and no member or members have requested an audit pursuant to section 249B(2) of the Act. The directors acknowledge their responsibility for:

- (A) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- (B) preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These accounts were approved by the board of directors on 16.2.2001 and were signed on its behalf by:

Director



**'A' PUBLISHING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**29 FEBRUARY 2000**

**1. ACCOUNTING POLICIES**

The following accounting policies have been consistently applied in dealing with the items which are considered material in relation to the company's accounts.

**1.1 Basis of preparation of accounts**

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

**1.2 Turnover**

Turnover comprises the invoiced value of goods supplied by the company, net of Value Added Tax and trade discounts.

**1.3 Tangible fixed assets and 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 bases:

|                    |                            |
|--------------------|----------------------------|
| Motor vehicles     | 25% reducing balance basis |
| Office equipment   | 20% reducing balance basis |
| Computer Equipment | 25% straight line basis    |

**1.4 Stock and work in progress**

Stock and work in progress are valued at the lower 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.

**1.5 Taxation**

The charge for taxation is based on the profit for the year and takes into account deferred taxation.

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

**'A' PUBLISHING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**29 FEBRUARY 2000** (continued)

**1. ACCOUNTING POLICIES** (continued)

**1.6 Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at the operating loss.

|                          |                    |                    |
|--------------------------|--------------------|--------------------|
| <b>2. OPERATING LOSS</b> | <b><u>2000</u></b> | <b><u>1999</u></b> |
|                          | <b>£</b>           | <b>£</b>           |

The operating loss is stated after charging:

|  |              |              |
|--|--------------|--------------|
| Depreciation of tangible fixed assets owned by the company | 6576         | 6247         |
| Directors' remuneration                                    | <u>28640</u> | <u>28600</u> |

|                    |                    |                    |
|--------------------|--------------------|--------------------|
| <b>3. TAXATION</b> | <b><u>2000</u></b> | <b><u>1999</u></b> |
|                    | <b>£</b>           | <b>£</b>           |

U K current year tax:

|                                     |   |   |
|-------------------------------------|---|---|
| U K corporation tax 20% (1999: 21%) | — | — |
|-------------------------------------|---|---|

**4. DIVIDENDS**

No dividends were paid or proposed during the year (1999: £Nil).

|                                 |                  |                 |                  |              |
|---------------------------------|------------------|-----------------|------------------|--------------|
| <b>5. TANGIBLE FIXED ASSETS</b> | <b>Computers</b> | <b>Motor</b>    | <b>Office</b>    | <b>Total</b> |
|                                 |                  | <b>Vehicles</b> | <b>Equipment</b> |              |
|                                 | <b>£</b>         | <b>£</b>        | <b>£</b>         | <b>£</b>     |

|                     |              |              |              |              |
|---------------------|--------------|--------------|--------------|--------------|
| Cost or valuation:  |              |              |              |              |
| At 1 March 1999     | 11948        | 10085        | 13157        | 35190        |
| Additions           | 3660         | -            | 690          | 4350         |
| At 29 February 2000 | <u>15608</u> | <u>10085</u> | <u>13847</u> | <u>39540</u> |

Depreciation:

|                     |              |             |             |              |
|---------------------|--------------|-------------|-------------|--------------|
| At 1 March 1999     | 9314         | 5831        | 5795        | 20940        |
| Charge for the year | 3903         | 1063        | 1610        | 6576         |
| At 29 February 2000 | <u>13217</u> | <u>6894</u> | <u>7405</u> | <u>27516</u> |

Net Book Values:

|                     |             |             |             |              |
|---------------------|-------------|-------------|-------------|--------------|
| At 29 February 2000 | <u>2391</u> | <u>3191</u> | <u>6442</u> | <u>12024</u> |
| At 1 March 1999     | <u>2634</u> | <u>4254</u> | <u>7362</u> | <u>14250</u> |



**'A' PUBLISHING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**29 FEBRUARY 2000** (continued)

|  |                       |                      |
|--|-----------------------|----------------------|
| <b>6. DEBTORS</b>  | <b><u>2000</u></b>    | <b><u>1999</u></b>   |
|  | <b>£</b>              | <b>£</b>             |
| Due within one year:                                     |                       |                      |
| Trade debtors  | 6145                  | 4003                 |
| Prepayments and accrued income                           | <u>216</u>            | <u>-</u>             |
|  | <b><u>6361</u></b>    | <b><u>4003</u></b>   |
| <br>   |                       |                      |
| <b>7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b> | <b><u>2000</u></b>    | <b><u>1999</u></b>   |
|  | <b>£</b>              | <b>£</b>             |
| Trade creditors  | 967                   | -                    |
| Other creditors  | 1022933               | 862876               |
| Accruals and deferred income                             | 5812                  | 5889                 |
| Other taxes and social security                          | <u>1785</u>           | <u>4714</u>          |
|  | <b><u>1031497</u></b> | <b><u>873479</u></b> |
| <br>   |                       |                      |
| <b>8. CALLED UP SHARE CAPITAL</b>                        | <b><u>2000</u></b>    | <b><u>1999</u></b>   |
|  | <b>£</b>              | <b>£</b>             |
| Authorised:  |                       |                      |
| Ordinary 'A' shares of £1 each                           | 10000                 | 10000                |
| Ordinary 'B' shares of £1 each                           | <u>100</u>            | <u>100</u>           |
|  | <b><u>10100</u></b>   | <b><u>10100</u></b>  |
| Issued and fully paid:                                   |                       |                      |
| Ordinary 'A' shares of £1 each                           | 5000                  | 5000                 |
| Ordinary 'B' shares of £1 each                           | <u>50</u>             | <u>50</u>            |
|  | <b><u>5050</u></b>    | <b><u>5050</u></b>   |

**9. RIGHTS OF EACH CLASS OF SHARE**

The two classes of shares rank equally with one another in every way save insofar as the ordinary 'B' shares of the company do not carry the right to be notified of or attend and vote either in person or by proxy at any meetings of the company except upon a resolution concerning a distribution or realisation of the company's assets, or the appointment of a receiver, manager or administrator on a liquidation or winding-up.

**'A' PUBLISHING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**29 FEBRUARY 2000** (continued)

| <b>10. PROFIT AND LOSS ACCOUNT</b> | <b><u>2000</u></b> | <b><u>1999</u></b> |
|------------------------------------|--------------------|--------------------|
|                                    | <b>£</b>           | <b>£</b>           |
| Balance at 1 March 1999            | (503889)           | (419903)           |
| (Loss) for the year                | <u>(103307)</u>    | <u>(83986)</u>     |
| Balance at 29 February 2000        | <u>(607196)</u>    | <u>(503889)</u>    |

  

| <b>11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS</b> | <b><u>2000</u></b> | <b><u>1999</u></b> |
|---|--------------------|--------------------|
|   | <b>£</b>           | <b>£</b>           |
| (Loss) for the year   | (103307)           | (83986)            |
| Shareholders funds at 1 March 1999                          | <u>(498839)</u>    | <u>(414853)</u>    |
| Shareholders funds at 29 February 2000                      | <u>(602146)</u>    | <u>(498839)</u>    |

**12. ULTIMATE HOLDING COMPANY**

'A' Publishing Limited is a subsidiary of Plane Overseas Incorporation Limited (Panama).