

**ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED**

**REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 SEPTEMBER 2000**



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**ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

<b>Contents</b>	<b>Pages</b>
Company information	1
Director's report	2 - 3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 13

**ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED**

**COMPANY INFORMATION  
AS AT 30 SEPTEMBER 2000**

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**DIRECTOR**

Ms I E Weiss

**SECRETARY**

D Mortimer

**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

## DIRECTOR'S REPORT

The director presents her annual report with the financial statements of the company for the year ended 30 September 2000.

### 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 £108,014.

The director is pleased to report a profit for the year and expects that this trend will continue in the future.

### DIVIDENDS

The director paid a dividend during the year amounting to £3,000 and proposed a final dividend of £7,000. The retained profit for the year of £98,014 will 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.

### DIRECTOR AND HER INTERESTS

The director in office in the year and her beneficial interest 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	
	2000	1999
Ms I E Weiss	550	550

### 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 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 director is 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 director is responsible for maintaining 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.

**ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED**

**DIRECTOR'S REPORT**

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**YEAR 2000**

The company has carried out a comprehensive review of all systems to ensure that:

- 1) All business and computer systems will correctly process future dates,
- 2) The trading relationships with clients and suppliers will continue to operate without disruption.

The total estimated costs of these reviews were not material. No significant problems have arisen to date and the directors are not aware of any residual risks and uncertainties associated with the Year 2000 issue that are likely to affect the company.

**AUDITORS**

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

Signed by:



Ms I E Weiss  
Director

Approved by the board: *18 December 2000*

**ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED**

**AUDITORS' REPORT**

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and on the basis of accounting policies set out on pages 7 and 8.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND AUDITORS**

As described in the director's report, the company's director is 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.

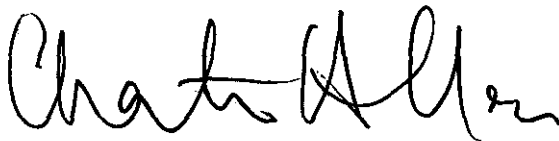
**BASIS OF OPINION**

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 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 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 2000 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**

21 December 2000

**ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

	Notes	2000 £	1999 £
<b>TURNOVER</b>		3,101,100	2,630,994
Cost of sales		2,212,327	1,909,385
<b>GROSS PROFIT</b>		888,773	721,609
Administrative expenses		738,687	653,183
		150,086	68,426
Other operating income		5,400	19,156
<b>OPERATING PROFIT</b>	2	155,486	87,582
Investment income and interest receivable		506	1,096
Interest payable and similar charges	3	(25,653)	(29,070)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		130,339	59,608
Tax on profit on ordinary activities	6	(22,325)	(1,750)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		108,014	57,858
Dividends	7	(10,000)	-
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	15	98,014	57,858

**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 13 form part of these financial statements.

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

BALANCE SHEET  
AT 30 SEPTEMBER 2000

	Notes	2000		1999	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9		180,488		152,170
<b>CURRENT ASSETS</b>					
Stocks	10		-	20,215	
Debtors	11	411,924		714,690	
Cash at bank and in hand		135,207		54,500	
		<u>547,131</u>		<u>789,405</u>	
<b>CREDITORS: amounts falling due within one year</b>	12	(555,941)		(867,911)	
<b>NET CURRENT LIABILITIES</b>			<u>(8,810)</u>		<u>(78,506)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>171,678</u>		<u>73,664</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		1,000		1,000
Profit and loss account	15		170,678		72,664
<b>EQUITY SHAREHOLDERS' FUNDS</b>	16		<u>171,678</u>		<u>73,664</u>

The financial statements were approved on *18 December 2000* and signed by:

*I. Weiss.*

Ms I E Weiss  
Director

The notes on pages 7 to 13 form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2000

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.

**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.

**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

**Amortisation of intangible fixed assets**

Copyright costs are capitalised in the balance sheet and amortised over the expected useful life of the asset of four years.

**Stock and short term work in progress**

Stock and short term work in progress 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.

**Long term work in progress**

Turnover and cost of sales on long term work in progress are recognised as contract activity progresses. Where the outcome of a long term work in progress can be assessed with reasonable certainty before its conclusion, attributable profit is recognised in the profit and loss account as the difference between turnover and cost of sales. The amount by which recorded turnover is in excess of payments on account is shown within debtors as "amounts recoverable on contracts."

**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.

**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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

**1. STATEMENT OF ACCOUNTING POLICIES - (continued)**

**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.

**Pension costs**

The company operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

**2. OPERATING PROFIT**

**Operating profit is stated:**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>After charging:</b>		
Depreciation of fixed assets	78,608	68,053
Amortisation	1,462	2,189
(Profit)/loss on disposal of fixed assets	-	4,449
Auditors' remuneration	4,500	4,675
Hire of equipment	2,476	3,774
	<u>          </u>	<u>          </u>
<b>After crediting:</b>		
Rent received	(5,400)	(19,156)
Profit on foreign currencies	(60,875)	(65,113)
	<u>          </u>	<u>          </u>

**3. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	15,895	29,070
Lease finance charges and hire purchase interest	9,758	-
	<u>          </u>	<u>          </u>
	<u>25,653</u>	<u>29,070</u>

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2000

4. INFORMATION ON DIRECTORS AND EMPLOYEES

	2000 £	1999 £
<b>Staff costs</b>		
Wages and salaries	1,767,131	1,346,685
Social security costs	170,143	128,684
Other pension costs	2,400	-
	<u>1,939,674</u>	<u>1,475,369</u>
	<b>2000 No.</b>	<b>1999 No.</b>
The average number of employees during the year was made up as follows:		
Number of employees	<u>93</u>	<u>87</u>
	<b>2000 £</b>	<b>1999 £</b>
<b>Directors' emoluments</b>		
Remuneration for management services	<u>42,232</u>	<u>27,348</u>

5. PENSION COSTS

**Defined contribution scheme**

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. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,400 (1999:£nil).

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000 £	1999 £
The taxation charge comprises:		
UK Corporation tax at 20% (1999 - 20/21%)	22,424	1,750
Adjustment in respect of prior years	(99)	-
	<u>22,325</u>	<u>1,750</u>

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2000

7. DIVIDENDS PAID OR PROPOSED

	2000 £	1999 £
On ordinary shares:		
Dividend paid	3,000	-
Final dividend proposed	7,000	-
	10,000	-

8. INTANGIBLE FIXED ASSETS

	Copyright costs £
<b>Cost:</b>	
At 1 October 1999	7,500
Disposals	(7,500)
	-
<b>Amortisation:</b>	
At 1 October 1999	7,500
On disposals	(7,500)
	-
At 30 September 2000	-
<b>Net book value:</b>	
At 30 September 2000	-

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2000

9. TANGIBLE FIXED ASSETS

	Short leasehold	Fixtures, fittings and equipment	Computer equipment	Motor vehicle	Total
	£	£	£	£	£
<b>Cost:</b>					
At 1 October 99	4,000	117,632	235,309	10,064	367,005
Additions	21,818	15,369	71,202	-	108,389
At 30 September 00	25,818	133,001	306,511	10,064	475,394
<b>Depreciation:</b>					
At 1 October 99	2,808	59,254	142,710	10,064	214,836
Charge for year	1,462	13,300	65,308	-	80,070
At 30 September 00	4,270	72,554	208,018	10,064	294,906
<b>Net book value:</b>					
At 30 September 00	21,548	60,447	98,493	-	180,488
At 30 September 99	1,192	58,378	92,600	-	152,170

Included in Computer equipment above are assets held under a finance lease with a net book value of value of £18,667. Depreciation charged on these assets for the year totalled £9,333.

10. STOCK AND WORK IN PROGRESS

	2000 £	1999 £
Short term work in progress	-	20,215

11. DEBTORS

	2000 £	1999 £
Trade debtors	320,473	633,529
Other debtors	40,402	37,454
Prepayments and accrued income	51,049	43,707
	411,924	714,690

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2000

12. **CREDITORS:** amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts	-	278,615
Receipts in advance	-	53,240
Trade creditors	201,288	253,318
Net obligations under finance leases and hire purchase contracts	15,993	-
Corporation tax	27,737	7,063
Other taxes and social security costs	92,493	116,966
Other creditors	24,772	24,295
Accruals and deferred income	186,658	134,414
Proposed dividend	7,000	-
	<u>555,941</u>	<u>867,911</u>

The bank loans and overdraft are secured by a fixed and floating charge over the assets of the company.

13. **DEFERRED TAXATION**

	2000 £	Not provided 1999 £	2000 £	Provided 1999 £
Deferred tax is calculated at 20% (1999 - 20%) analysed over the following timing differences:				
On the excess of capital allowances over depreciation	4,500	-	-	-
	<u>4,500</u>	<u>-</u>	<u>-</u>	<u>-</u>

14. **SHARE CAPITAL**

	2000 £	1999 £
<b>Authorised:</b>		
<b>Equity interests:</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid:</b>		
<b>Equity interests:</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

ALPHA CALLIGRAPHIC RESEARCH CAMBRIDGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2000

15. PROFIT AND LOSS ACCOUNT

	2000 £	1999 £
Retained profit at 1 October 1999	72,664	14,806
Profit for the year	98,014	57,858
Retained profit at 30 September 2000	<u>170,678</u>	<u>72,664</u>

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
<b>Profit for the financial year</b>	108,014	57,858
Dividends	(10,000)	-
<b>Net addition to shareholders' funds</b>	98,014	57,858
Opening shareholders' funds	73,664	15,806
<b>Closing shareholders' funds</b>	<u>171,678</u>	<u>73,664</u>
<b>Represented by:-</b>		
Equity interests	<u>171,678</u>	<u>73,664</u>

17. 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	
	2000 £	1999 £
Between two and five years	128,121	94,000
After five years	8,500	8,500
	<u>136,621</u>	<u>102,500</u>

18. RELATED PARTY TRANSACTIONS

The company is controlled by the director.

During the year the company had the following related party transactions with Data Factory for which P Nash, a shareholder in this company is the sole trader:

- Sales of £3,136 (1999: £18,882)
- Consultancy charges of £109,202 (1999: £36,500)

At the 30 September 2000 the company owed £5,426 to Data Factory, net of accrued invoices.