

Registration number 458421

CB Frost & Co Ltd

Directors' report and financial statements

for the year ended 31 July 2004



CB Frost & Co Ltd

Company information

Directors	D J Dunn P D Beadle
Secretary	P D Beadle
Company number	458421
Registered office	17 Green Street Digbeth Birmingham B12 0NE
Accountants	Harben Barker Limited Drayton Road Drayton Court Solihull West Midlands B90 4NG
Business address	17 Green Street Digbeth Birmingham B12 0NE
Bankers	Barclays Bank Plc PO Box 5960 15 Colmore Road B3 2EP

CB Frost & Co Ltd

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CB Frost & Co Ltd

**Directors' report
for the year ended 31 July 2004**

The directors present their report and the financial statements for the year ended 31 July 2004.

Principal activity

The principal activity of the company is the manufacture, factor and distribution of rubber and plastic products.

Directors and their interests

The directors who served during the year are as stated on the company information page

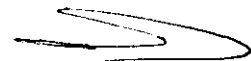
No directors held any interest in the share capital of the company during the year. The interests of the directors in the share capital of the company's parent undertaking, CB Frost Holdings Limited, can be found in the financial statements of that company.

Charitable and political contributions

During the year the company contributed £1,500 to charities.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 5 November 2004 and signed on its behalf by



P D Beadle
Secretary

CB Frost & Co Ltd

**Accountants' report on the unaudited financial statements to the directors of
CB Frost & Co Ltd**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 July 2004 set out on pages 3 to 11 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

Harben Barker Limited

**Harben Barker Limited
Chartered Accountants
Drayton Road
Drayton Court
Solihull
West Midlands
B90 4NG**

Date: 5 November 2004

CB Frost & Co Ltd

**Profit and loss account
for the year ended 31 July 2004**

		2004	2003
	Notes	£	£
Turnover	2	2,863,370	2,669,815
Cost of sales		(1,622,102)	(1,553,730)
Gross profit		1,241,268	1,116,085
Administrative expenses		(895,792)	(876,570)
Exceptional item	3	298,918	-
Other operating income		-	1,000
Operating profit	4	644,394	240,515
Other interest receivable and similar income		2,027	3,795
Interest payable and similar charges		-	(7,300)
Profit on ordinary activities before taxation		646,421	237,010
Tax on profit on ordinary activities	7	(70,196)	(70,460)
Profit on ordinary activities after taxation		576,225	166,550
Dividends		(580,000)	(272,002)
Loss for the year		(3,775)	(105,452)
Retained profit brought forward		417,618	523,070
Retained profit carried forward		413,843	417,618

The notes on pages 6 to 11 form an integral part of these financial statements.

CB Frost & Co Ltd

**Balance sheet
as at 31 July 2004**

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		75,562		91,263
Current assets					
Stocks		165,754		160,393	
Debtors	9	606,117		577,950	
Cash at bank and in hand		123,248		213,362	
		<u>895,119</u>		<u>951,705</u>	
Creditors: amounts falling due within one year	10	<u>(527,538)</u>		<u>(596,050)</u>	
Net current assets			<u>367,581</u>		<u>355,655</u>
Total assets less current liabilities			443,143		446,918
Provisions for liabilities and charges	11		<u>(2,800)</u>		<u>(2,800)</u>
Net assets			<u>440,343</u>		<u>444,118</u>
Capital and reserves					
Called up share capital	13		16,500		16,500
Share premium account	14		6,000		6,000
Other reserves	14		4,000		4,000
Profit and loss account	14		<u>413,843</u>		<u>417,618</u>
Shareholders' funds			<u>440,343</u>		<u>444,118</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 11 form an integral part of these financial statements.

CB Frost & Co Ltd

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31 July 2004**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 July 2004 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 5 November 2004 and signed on its behalf by



D J Dunn
Director

The notes on pages 6 to 11 form an integral part of these financial statements.

CB Frost & Co Ltd

Notes to the financial statements for the year ended 31 July 2004

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	4% straight line
Plant and machinery	-	5% straight line
Motor vehicles	-	25% straight line

1.4. Stock

Stock is valued at the lower of cost and net realisable value.

1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

1.6. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.7. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

2. Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 7% for the year.

CB Frost & Co Ltd

**Notes to the financial statements
for the year ended 31 July 2004**

..... continued

3. Exceptional item

At the year end the company transferred its freehold land and buildings with a book value of £21,082 to CB Frost Holdings Limited at a market value of £320,000 , resulting in a profit on disposal of £298,918 .

4. Operating profit	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	37,747	38,238
Auditors' remuneration	-	1,500
	<u> </u>	<u> </u>
and after crediting:		
Profit on disposal of tangible fixed assets	12,200	-
Exceptional items	298,918	-
	<u> </u>	<u> </u>

5. Directors' emoluments

	2004	2003
	£	£
Remuneration and other benefits	188,497	162,093
	<u> </u>	<u> </u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	2	2

6. Pension costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £38,458 (2003 - £43,293).

CB Frost & Co Ltd

**Notes to the financial statements
for the year ended 31 July 2004**

..... continued

7. Tax on profit on ordinary activities

Analysis of charge in period	2004 £	2003 £
Current tax		
UK corporation tax	71,600	50,600
Adjustments in respect of previous periods	(1,404)	17,060
	<u>70,196</u>	<u>67,660</u>
Total current tax charge	<u>70,196</u>	<u>67,660</u>
Deferred tax		
Timing differences, origination and reversal	-	2,800
Total deferred tax	<u>-</u>	<u>2,800</u>
Tax on profit on ordinary activities	<u>70,196</u>	<u>70,460</u>

8. Tangible fixed assets

	Land and buildings freehold £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 August 2003	30,605	236,452	101,162	368,219
Additions	-	7,981	35,147	43,128
Disposals	(30,605)	-	(34,211)	(64,816)
At 31 July 2004	<u>-</u>	<u>244,433</u>	<u>102,098</u>	<u>346,531</u>
Depreciation				
At 1 August 2003	9,523	173,588	93,845	276,956
On disposals	(9,523)	-	(34,211)	(43,734)
Charge for the year	-	12,222	25,525	37,747
At 31 July 2004	<u>-</u>	<u>185,810</u>	<u>85,159</u>	<u>270,969</u>
Net book values				
At 31 July 2004	<u>-</u>	<u>58,623</u>	<u>16,939</u>	<u>75,562</u>
At 31 July 2003	<u>21,082</u>	<u>62,864</u>	<u>7,317</u>	<u>91,263</u>

CB Frost & Co Ltd

**Notes to the financial statements
for the year ended 31 July 2004**

..... continued

9. Debtors	2004	2003
	£	£
Trade debtors	598,840	577,147
Amounts owed by group undertakings	2,476	-
Prepayments and accrued income	4,801	803
	<u>606,117</u>	<u>577,950</u>
 10. Creditors: amounts falling due within one year	 2004	 2003
	£	£
Trade creditors	328,719	290,946
Corporation tax	71,600	50,600
Other taxes and social security costs	73,113	52,998
Other creditors	47,942	28,480
Accruals and deferred income	6,164	11,026
Proposed dividend	-	162,000
	<u>527,538</u>	<u>596,050</u>
 11. Provisions for liabilities and charges	 Deferred taxation (Note 12)	 Total
	£	£
At 1 August 2003	<u>2,800</u>	<u>2,800</u>
At 31 July 2004	<u>2,800</u>	<u>2,800</u>

CB Frost & Co Ltd

**Notes to the financial statements
for the year ended 31 July 2004**

..... continued

12.	Provision for deferred taxation			2004 £	2003 £
	Accelerated capital allowances			2,800	2,800
	Provision at 1 August 2003			2,800	
	Provision at 31 July 2004			2,800	
13.	Share capital			2004 £	2003 £
	Authorised				
	25,000 Ordinary shares of £1 each			25,000	25,000
	Allotted, called up and fully paid				
	16,500 Ordinary shares of £1 each			16,500	16,500
14.	Reserves	Share premium account £	Profit and loss account £	Capital redemption reserve £	Total £
	At 1 August 2003	6,000	417,618	4,000	427,618
	Loss for the year		(3,775)		(3,775)
	At 31 July 2004	6,000	413,843	4,000	423,843
15.	Financial commitments				
	At 31 July 2004 the company had annual commitments under non-cancellable operating leases as follows:				
				2004 £	2003 £
	Expiry date:				
	Between one and five years			974	-

CB Frost & Co Ltd

**Notes to the financial statements
for the year ended 31 July 2004**

..... continued

16. Ultimate parent undertaking

The company's parent undertaking is CB Frost Holdings Limited, a company incorporated in England and Wales.

17. Controlling interest

The company is controlled by its directors.