

COMPANY REGISTRATION NUMBER 918708

SHRINKWRAP MACHINERY COMPANY LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31st OCTOBER 2002



SHRINKWRAP MACHINERY COMPANY LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31st OCTOBER 2002

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SHRINKWRAP MACHINERY COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the accounts of the company for the year ended 31st October 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the accounts.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Fleet Court
New Fields
Stinsford Road
Poole
Dorset
BH17 0NF

21st August 2003

Princcroft Redman
PRINCECROFT REDMAN
Chartered Accountants
& Registered Auditors

SHRINKWRAP MACHINERY COMPANY LIMITED

ABBREVIATED BALANCE SHEET

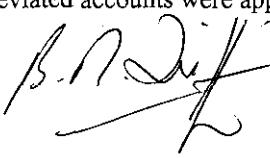
31st OCTOBER 2002

	Note	£	2002 £	£	2001 £
Fixed Assets	2				
Tangible assets			97,678		95,199
Current Assets					
Stocks		50,500		22,000	
Debtors		304,849		97,462	
Cash at bank and in hand		319,605		386,283	
		674,954		505,745	
Creditors: Amounts falling due within one year		298,084		248,423	
Net Current Assets			376,870		257,322
Total Assets Less Current Liabilities			474,548		352,521
Provisions for Liabilities and Charges			3,906		2,224
			470,642		350,297
Capital and Reserves					
Called-up equity share capital	4		6,000		6,000
Other reserves			1,203		1,203
Profit and loss account			463,439		343,094
Shareholders' Funds			470,642		350,297

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 20/8/03 and are signed on their behalf by:

B M Frith
Director



The notes on pages 3 to 5 form part of these abbreviated accounts.

SHRINKWRAP MACHINERY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st OCTOBER 2002

1. Accounting Policies

Basis of Accounting

The accounts have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Plant & machinery	- 25% pa reducing balance
Fixtures, fittings & computers	- 15% pa reducing balance and 20% or 33% pa straightline
Motor vehicles	- 25% pa reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in Progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Finance Lease Agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

SHRINKWRAP MACHINERY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st OCTOBER 2002

1. Accounting Policies *(continued)*

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.

2. Fixed Assets

	Tangible Assets £
Cost	
At 1st November 2001	245,103
Additions	50,363
Disposals	(14,190)
At 31st October 2002	<u>281,276</u>
Depreciation	
At 1st November 2001	149,904
Charge for year	36,570
On disposals	(2,876)
At 31st October 2002	<u>183,598</u>
Net Book Value	
At 31st October 2002	<u>97,678</u>
At 31st October 2001	<u>95,199</u>

3. Related Party Transactions

The company was under the control of the directors throughout the current and previous year in proportion to their shareholding.

During the year the company provided a loan to the directors. The outstanding amounts were as follows: beginning of the year: £Nil; end of year: £Nil; maximum during the year: £108,157.

The company also provided a bridging loan to J M Frith, a shareholder and close family member of the directors. At the end of the year the amount outstanding was £251,894 (2001 - £-). The bridging loan was repaid shortly after the year end.

SHRINKWRAP MACHINERY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st OCTOBER 2002

4. Share Capital

Authorised share capital:

	2002	2001
	£	£
6,000 Ordinary shares of £1 each	<u>6,000</u>	<u>6,000</u>

Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
Ordinary shares of £1 each	6,000	6,000	6,000	6,000