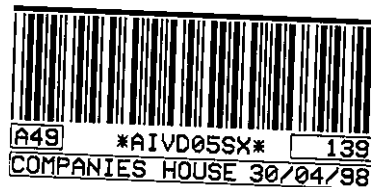


PETER FANNING POLYFORM LIMITED

Company Number: 975813

ABBREVIATED STATUTORY ACCOUNTS FOR THE
YEAR ENDED 30TH JUNE 1997

JOHN A TUFFIN & CO
CHARTERED ACCOUNTANTS



PETER FANNING POLYFORM LIMITED
ABBREVIATED STATUTORY ACCOUNTS FOR THE
YEAR ENDED 30TH JUNE 1997

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2	Statement of Directors Responsibilities
3	Report of the Auditors
4	Profit and Loss Account
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PETER FANNING POLYFORM LIMITEDREPORT OF THE DIRECTORS

The directors present their report and abbreviated accounts for the year ended 30th June 1997.

PRINCIPAL ACTIVITY

The principal activity of the company throughout the Year was that of the manufacture of plastic goods.

REVIEW OF THE BUSINESS

A summary of the results of the trading for the Year is given on page 4 of the accounts.

The directors consider the state of affairs to be satisfactory.

RESULTS AND DIVIDENDS

The retained profit of the company for the year was £207,055, (1996 - £48,409 loss).

Details of dividends paid and proposed are given in note 8.

DIRECTORS

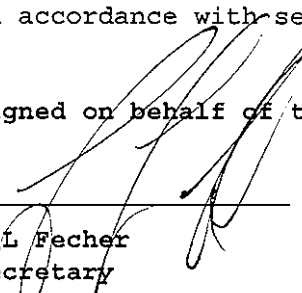
The directors who served during the Year and their beneficial interests in the company's issued ordinary share capital were as follows:

	<u>30th June 1997</u>	<u>30th June 1996</u>
C L Fecher	6,500	6,500
J R Ross	3,500	3,500

AUDITORS

The Auditors, Messrs John A Tuffin & Co, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the board of directors:



C L Fecher
Secretary

Approved by the board:

13/11/97
Date

PETER FANNING POLYFORM LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial accounts 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 accounts, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 accounts 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.

AUDITORS' REPORT TOPETER FANNING POLYFORM LIMITEDPURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

We have examined the abbreviated financial accounts on pages 3 to 7 together with the statutory accounts of the company prepared under section 226 of the Companies Act 1985 for the Year ended 30th June 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 5 and whether the abbreviated financial accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial accounts, that the company is entitled to the exemptions and that the abbreviated financial accounts have been properly prepared from those financial accounts. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial accounts.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred in section B of Part III of Schedule 8 to that Act, in respect of the year ended 30th June 1997 and the abbreviated accounts on pages 3 to 7 have been properly prepared in accordance with that Schedule.

Other information

On *29 December 1997* we reported, as auditors of the company, to the shareholders on the financial accounts prepared under Section 226 of the Companies Act 1985 for the Year ended 30th June 1997, and our audit report was as follows:

'We have audited the financial accounts on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 7a.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

continued

AUDITORS' REPORT TOPETER FANNING POLYFORM LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985
(continued)

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial accounts, 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 that the financial accounts are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial accounts.

Opinion

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 30th June 1997 and of its profit for the Year then ended and have been properly prepared in accordance with the Companies Act 1985.'

John A Tuffin & Co
Registered Auditors
Chartered Accountants

12/13 Ship Street
Brighton
BN1 1AD



29 December 1997

Date

PETER FANNING POLYFORM LIMITEDABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1997

	Note	<u>1997</u> £	<u>1996</u> £
<u>GROSS PROFIT</u>		1,434,359	891,073
<u>NET OPERATING EXPENSES</u>			
Directors Remuneration		(168,990)	(136,201)
Administrative Expenses		(791,086)	(765,373)
Other Operating Income		37	684
Other Income		2,895	
<u>OPERATING PROFIT</u>	3	477,215	17,337
Interest Payable	6	(26,111)	(33,216)
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		451,104	(43,033)
Taxation	7	(122,049)	12,124
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</u>		329,055	(30,909)
Dividends	8	(122,000)	(17,500)
<u>RETAINED PROFIT/(LOSS) FOR THE YEAR</u>	16	207,055	(48,409)

Movements in reserves are shown in note 16.

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

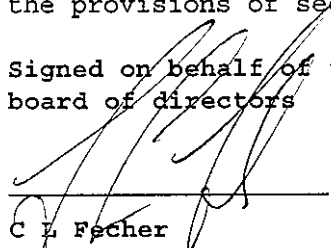
There are no recognised gains and losses in 1997 or 1996 other than the profit/(loss) for the Year.

PETER FANNING POLYFORM LIMITEDABBREVIATED BALANCE SHEET
AS AT 30TH JUNE 1997

	Note	£	1997	£	1996	£
FIXED ASSETS						
Tangible Assets	9		333,207		350,363	
CURRENT ASSETS						
Stock	10	124,284		121,365		
Debtors	11	840,420		587,514		
Cash at Bank and in Hand		1,703		521		
			966,407		709,400	
CREDITORS: Amounts Falling Due Within One Year	12	611,087		573,916		
NET CURRENT ASSETS			355,320		135,484	
TOTAL ASSETS LESS CURRENT LIABILITIES			688,527		485,847	
CREDITORS: Amounts Falling Due After More Than One Year	13		205,509		209,882	
			£ 483,018		£ 275,965	
CAPITAL AND RESERVES						
Called Up Share Capital	15		10,000		10,000	
Share Premium Account			28,000		28,000	
Profit and Loss Account	16		445,018		237,965	
TOTAL SHAREHOLDERS' FUNDS	14		£ 483,018		£ 275,965	

In preparing these abbreviated accounts advantage has been taken of the exemptions conferred by Section B of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company is entitled to the benefit of those exemptions as a medium-sized company under the provisions of sections 246 and 247 of the Act.

Signed on behalf of the
board of directors


C. L. Fether
Director


J. R. Ross
Director

Approved by the board:

13/6/97
Date

PETER FANNING POLYFORM LIMITEDABBREVIATED CASH FLOW STATEMENTFOR THE YEAR ENDED 30TH JUNE 1997

	Note	<u>1997</u>	<u>1996</u>
		£	£
NET CASH INFLOW			
FROM OPERATING ACTIVITIES	17	545,326	253,679
Returns on Investments and Servicing of Finance			
Interest Paid		(26,111)	(33,216)
Taxation		(122,049)	12,126
Capital Expenditure and Financial Investment			
Purchase of Tangible Fixed Assets		(47,176)	(203,291)
Sale of Tangible Fixed Assets		3,700	16,000
		<u>(43,476)</u>	<u>(187,291)</u>
		353,690	45,298
Dividends Paid		<u>(122,000)</u>	<u>(17,500)</u>
<u>INCREASE IN CASH AND CASH EQUIVALENTS</u>		<u>231,690</u>	<u>27,798</u>

PETER FANNING POLYFORM LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1997**1. ACCOUNTING POLICIES****Basis of Accounting**

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

Turnover

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and value added tax.

Tangible Fixed Assets

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

Short Leasehold Property	The period of the lease
Plant and Equipment	15% on written down value
Fixtures and Fittings	15% on written down value
Computer Equipment	25% on written down value
Motor Vehicles	25% on written down value

Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account as incurred.

2. TURNOVER

The turnover and profit before taxation is attributable to the principal activity of the company.

PETER FANNING POLYFORM LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 19973. OPERATING PROFIT

	<u>1997</u>	<u>1996</u>
	£	£
Operating Profit is stated after charging:		
Depreciation of Tangible Assets	60,502	63,719
Loss on Sale of Fixed Assets	129	-
Operating Lease Rentals:		
Car Leasing	11,341	13,438
Hire of Plant and Equipment	25,747	18,497
Hire of Other Equipment	5,406	7,020
Staff Costs - note 4	1,208,646	1,194,104
Audit and Accountancy	8,040	10,605
	<u>1,208,646</u>	<u>1,194,104</u>

4. STAFF COSTS

The average monthly number employed including directors were:

<u>1997</u>	<u>1996</u>
89	86
<u>89</u>	<u>86</u>

The costs incurred, including Directors Remuneration (note 5), in respect of these employees were:

	<u>1997</u>	<u>1996</u>
	£	£
Directors' Remuneration	72,612	117,052
Directors' Pension Scheme	89,000	7,210
Directors' NIC (Employers Share)	7,378	11,939
Factory Wages	734,018	798,214
Wages and Salaries	299,254	242,178
Relocation Expenses	-	4,717
Recruitment and Training	6,384	12,794
	<u>1,208,646</u>	<u>1,194,104</u>

Pension CostsDefined Contributions Scheme

The company operates a defined contributions scheme. The assets of the scheme are held separately from those of the company in an administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £89,000 (1996 £7,210).

PETER FANNING POLYFORM LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 19975. DIRECTORS

	<u>1997</u>	<u>1996</u>
	£	£
Emoluments of directors of the company were as follows:		
Directors' Remuneration	72,612	117,052
Directors' Pension Scheme	89,000	7,210
Directors' NIC (Employers Share)	7,378	11,939
Other Emoluments	168,990	136,201

Number of Other Directors whose total
emoluments, excluding pension contributions,
were within the ranges:

£35,001 - £40,000	1	-
£40,001 - £45,000	1	1
£70,001 - £75,000	-	1

6. INTEREST PAYABLE

	<u>1997</u>	<u>1996</u>
	£	£
Bank Interest and Charges	13,941	17,537
Loan Interest	1,302	2,034
Hire Purchase Interest	10,868	12,596
Interest and Penalties	-	1,049
	26,111	33,216

7. TAXATION

	<u>1997</u>	<u>1996</u>
	£	£
Taxation is based on the Profit for the Year and comprises:		
U.K. Corporation Taxation at marginal rate (1996 25%)	121,714	(11,798)
Under/(Over)Provision in Previous Year	335	(326)
	122,049	(12,124)

8. DIVIDENDS

	<u>1997</u>	<u>1996</u>
	£	£
Dividends Paid	122,000	17,500

PETER FANNING POLYFORM LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 19979. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Plant and Equipment £	Fixtures and Fittings £	Leasehold Land and Buildings £	Total £
COST					
1st July 1996	49,801	543,778	91,943	46,025	731,547
Additions	11,890	24,185	11,101	-	47,176
Disposals	(9,900)	-	-	-	(9,900)
30th June 1997	51,791	567,963	103,044	46,025	768,823
DEPRECIATION					
1st July 1996	17,644	298,400	61,604	3,536	381,184
Charge for the Year	10,054	40,434	7,181	2,833	60,502
Disposals	(6,071)	-	-	-	(6,071)
30th June 1997	21,627	338,834	68,785	6,369	435,615
NET BOOK VALUE					
30th June 1997	30,164	229,129	34,259	39,656	333,208
30th June 1996	32,157	245,378	30,339	42,489	350,363

Tangible Fixed Assets includes, in respect of assets held under finance leases and hire purchase contracts, net book value £166,619 (1996 £82,613), cumulative depreciation £90,736 (1996 £38,648) and charge for the year £33,633 (1996 £18,357).

10. STOCKS

	<u>1997</u> £	<u>1996</u> £
Raw Materials and Consumables	124,284	121,365

11. DEBTORS

	<u>1997</u> £	<u>1996</u> £
Amounts falling due within one year:		
Trade Debtors	785,323	558,650
Other Debtors	19,597	23,864
ACT Recoverable	35,500	5,000
	840,420	587,514

PETER FANNING POLYFORM LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 199712. CREDITORS - Amounts Falling Due
Within One Year

	<u>1997</u>	<u>1996</u>
	£	£
Bank Overdraft	-	37,673
Factoring Account	-	41,046
Bank Loan Account	5,000	5,000
Trade Creditors	313,595	214,533
Sundry Creditors	120,308	67,604
ACT Payable	17,000	-
Corporation Tax	110,251	31,945
Income Tax and Social Security	29,042	27,796
Hire Purchase Account	45,895	40,811
Finance Lease Account	10,382	8,986
Directors' Current Accounts	42,610	2,610
Amounts Owed to Associated Company	11,664	16,264
Value Added Tax	107,802	94,922
	<u>813,549</u>	<u>589,190</u>

13. CREDITORS - Amounts Falling Due
After More Than One Year

	<u>1997</u>	<u>1996</u>
	£	£
Bank Loan Account	102,858	109,591
Hire Purchase Account	45,081	67,739
Finance Lease Account	6,896	17,278
	<u>154,835</u>	<u>194,608</u>

Amounts Falling Due
After More Than Five Years:

Bank Loan Account	<u>61,187</u>	<u>70,852</u>
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The Bank Loan is repayable by monthly instalments of £1,332, with interest chargeable at 2.5% over Midland Bank Plc base rate, and is secured by a fixed and floating charge on the assets of the company, and by directors personal guarantee.

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1997</u>	<u>1996</u>
	£	£
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	329,055	(30,909)
Dividends	(122,000)	(17,500)
NET ADDITION TO/(SUBTRACTION FROM) SHAREHOLDERS' FUNDS	<u>207,055</u>	<u>(48,409)</u>
Opening shareholders' funds	<u>275,965</u>	<u>324,374</u>
<u>CLOSING SHAREHOLDERS' FUNDS</u>	<u>483,020</u>	<u>275,965</u>

PETER FANNING POLYFORM LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 199715. SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	£	£
Authorised - Ordinary Shares of £1 each	10,000	10,000
Allotted, Issued and Fully Paid	10,000	10,000

16. RESERVES

	<u>Profit and Loss Account</u>	<u>Share Premium Account</u>
	£	£
Balance at 1st July 1996	237,965	28,000
Retained Profit for the Year	207,055	-
Balance at 30th June 1997	445,020	28,000

17. NOTES TO THE CASH FLOW STATEMENTRECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

	<u>1997</u>	<u>1996</u>
	£	£
Operating Profit/(Loss)	477,215	(9,817)
Depreciation Charges	60,502	63,719
Loss on Sale of Fixed Assets	129	-
(Increase)/Decrease in Stocks	(2,919)	6,469
(Increase)/Decrease in Debtors	(252,906)	190,105
Increase in Creditors	263,305	3,203
Net Cash Inflow From Operating Activities	545,326	253,679

ANALYSIS OF CHANGES IN CASH AND CASH
EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

Opening Cash Balance	(78,198)	(105,996)
Net Cash Inflow	231,690	27,798
Closing Cash Balance	153,492	(78,198)

ANALYSIS OF THE BALANCES OF CASH AND CASH
EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	<u>1997</u>	<u>1996</u>	<u>Change</u>
Cash at Bank and in Hand	153,492	521	152,971
Bank Overdrafts	-	(78,719)	78,719
	153,492	(78,198)	231,690

PETER FANNING POLYFORM LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 199718. TRANSACTIONS WITH DIRECTORS

The company trades from premises occupied under a lease granted by a company in which C L Fecher Esq, a director, has a material interest. The lease was granted in 1991 for a period of 21 years at full market rent and under terms similar to those which would have applied had it been granted to a non-connected party.