

Abbreviated Financial Statements

for the Year Ended 30 June 2003

for

Peter Fanning Polyform Limited



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Peter Fanning Polyform Limited

Contents of the Financial Statements
for the Year Ended 30 June 2003

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors on the Abbreviated Financial Statements	3
Abbreviated Profit and Loss Account	4
Statement of Total Recognised Gains and Losses	5
Abbreviated Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Abbreviated Financial Statements	10

Peter Fanning Polyform Limited

Company Information
for the Year Ended 30 June 2003

DIRECTORS:

C L Fecher
J R G Ross
D E Moore
S Holwell

SECRETARY:

C L Fecher

REGISTERED OFFICE:

Goldstone Lane
Hove
East Sussex
BN3 7BB

REGISTERED NUMBER:

975813 (England and Wales)

AUDITORS:

JOHN A TUFFIN & CO
REGISTERED AUDITOR
12/13 Ship Street
Brighton
East Sussex
BN1 1AD

The directors present their report with the financial statements of the company for the year ended 30 June 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of plastic goods.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2003.

DIRECTORS

The directors during the year under review were:

C L Fecher
J R G Ross
D E Moore
S Holwell

The beneficial interests of the directors holding office on 30 June 2003 in the issued share capital of the company were as follows:

	30.6.03	1.7.02
Ordinary £1.00 shares		
C L Fecher	6,500	6,500
J R G Ross	3,500	3,500
D E Moore	-	-
S Holwell	-	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the 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, the 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 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 statements 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.

ON BEHALF OF THE BOARD:

C L Fecher - SECRETARY

Dated:

9/6/2004.

Peter Fanning Polyform Limited

Report of the Independent Auditors to
Peter Fanning Polyform Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages four to seventeen, together with the full financial statements of the company for the year ended 30 June 2003 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

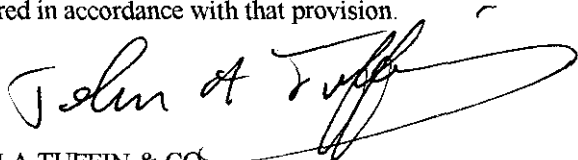
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages four to seventeen are properly prepared in accordance with that provision.



JOHN A TUFFIN & CO
REGISTERED AUDITOR
12/13 Ship Street
Brighton
East Sussex
BN1 1AD

Dated: 14-6-2004

Peter Fanning Polyform Limited

Abbreviated Profit and Loss Account
for the Year Ended 30 June 2003

	Notes	30.6.03 £	£	30.6.02 £	£
GROSS PROFIT			1,482,705		1,470,673
Administrative expenses			<u>1,546,247</u>		<u>1,628,712</u>
OPERATING LOSS	3		(63,542)		(158,039)
Interest receivable and similar income			<u>-</u>		<u>2,067</u>
			(63,542)		(155,972)
Interest payable and similar charges	4		<u>67,982</u>		<u>55,635</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(131,524)		(211,607)
Tax on loss on ordinary activities	5		<u>-</u>		<u>(7,773)</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION			(131,524)		(203,834)
Dividends	6		<u>-</u>		<u>58,000</u>
			(131,524)		(261,834)
Retained profit brought forward:					
As previously reported		104,644		254,890	
Prior year adjustments	7	<u>-</u>		<u>111,588</u>	
As restated			<u>104,644</u>		<u>366,478</u>
(DEFICIT)/RETAINED PROFIT CARRIED FORWARD			<u>£(26,880)</u>		<u>£104,644</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

The notes form part of these financial statements

Peter Fanning Polyform Limited

Statement of Total Recognised Gains and Losses
for the Year Ended 30 June 2003

	30.6.03	30.6.02
	£	£
LOSS FOR THE FINANCIAL YEAR	(131,524)	(203,834)
	_____	_____
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>£(131,524)</u>	(203,834)
Prior year adjustment		<u>111,588</u>
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		<u>£(92,246)</u>

The notes form part of these financial statements

Peter Fanning Polyform Limited

Abbreviated Balance Sheet

30 June 2003

	Notes	30.6.03 £	30.6.02 £
FIXED ASSETS:			
Tangible assets	8	508,143	581,335
CURRENT ASSETS:			
Stocks	9	401,642	405,286
Debtors	10	1,077,789	1,042,087
Cash at bank and in hand		<u>1,115</u>	<u>1,164</u>
		1,480,546	1,448,537
CREDITORS: Amounts falling due within one year	11	<u>1,866,109</u>	<u>1,724,708</u>
NET CURRENT LIABILITIES:		<u>(385,563)</u>	<u>(276,171)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		122,580	305,164
CREDITORS: Amounts falling due after more than one year	12	<u>111,460</u>	<u>162,520</u>
		<u>£11,120</u>	<u>£142,644</u>
CAPITAL AND RESERVES:			
Called up share capital	16	10,000	10,000
Share premium	17	28,000	28,000
Profit and loss account		<u>(26,880)</u>	<u>104,644</u>
SHAREHOLDERS' FUNDS:	19	<u>£11,120</u>	<u>£142,644</u>

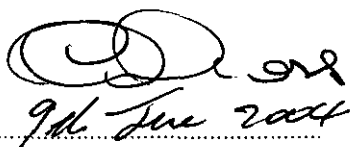
These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:

C L Fecher - DIRECTOR



J R G Ross - DIRECTOR



Approved by the Board on 9th June 2004

The notes form part of these financial statements

Peter Fanning Polyform Limited

Cash Flow Statement
for the Year Ended 30 June 2003

	Notes	30.6.03 £	30.6.02 £
Net cash outflow from operating activities	1	(95,026)	(45,859)
Returns on investments and servicing of finance	2	(67,982)	(53,568)
Taxation		(3,888)	(6,389)
Capital expenditure	2	(7,391)	(59,347)
Equity dividends paid		-	(58,000)
		(174,287)	(223,163)
Financing	2	<u>38,280</u>	<u>(124,274)</u>
Decrease in cash in the period		<u>£(136,007)</u>	<u>£(347,437)</u>
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(136,007)	(347,437)
Cash outflow from decrease in debt and lease financing		<u>79,039</u>	<u>92,334</u>
Change in net debt resulting from cash flows		(56,968)	(255,103)
New finance leases		<u>(20,577)</u>	<u>(46,978)</u>
Movement in net debt in the period		(77,545)	(302,081)
Net debt at 1 July		<u>(851,558)</u>	<u>(549,477)</u>
Net debt at 30 June		<u>£(929,103)</u>	<u>£(851,558)</u>

The notes form part of these financial statements

1. **RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	30.6.03 £	30.6.02 £
Operating loss	(63,542)	(158,039)
Depreciation charges	94,547	111,694
Loss on sale of fixed assets	6,612	-
Decrease/(Increase) in stocks	3,644	(105,814)
Increase in debtors	(34,989)	(109,324)
(Decrease)/Increase in creditors	(101,298)	215,624
Net cash outflow from operating activities	(95,026)	(45,859)

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	30.6.03 £	30.6.02 £
Returns on investments and servicing of finance		
Interest received	-	2,067
Interest paid	(51,701)	(43,371)
Interest element of hire purchase or finance lease rentals payments	(16,281)	(12,264)
Net cash outflow for returns on investments and servicing of finance	(67,982)	(53,568)
Capital expenditure		
Purchase of tangible fixed assets	(21,906)	(59,347)
Sale of tangible fixed assets	14,515	-
Net cash outflow for capital expenditure and financial investment	(7,391)	(59,347)
Financing		
Loan repayments in year	(35,245)	(31,940)
Hire purchase debt repaid	(79,039)	(92,334)
Amount introduced by directors	158,064	-
Amount withdrawn by directors	(5,500)	-
Net cash inflow/(outflow) from financing	38,280	(124,274)

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.02 £	Cash flow £	Other non-cash changes £	At 30.6.03 £
Net cash:				
Cash at bank and in hand	1,164	(49)		1,115
Bank overdrafts	<u>(741,738)</u>	<u>(135,958)</u>		<u>(877,696)</u>
	<u>(740,574)</u>	<u>(136,007)</u>		<u>(876,581)</u>
Debt:				
Hire purchase or finance leases	<u>(110,984)</u>	<u>79,039</u>	<u>(20,577)</u>	<u>(52,522)</u>
	<u>(110,984)</u>	<u>79,039</u>	<u>(20,577)</u>	<u>(52,522)</u>
Total	<u>(851,558)</u>	<u>(56,968)</u>	<u>(20,577)</u>	<u>(929,103)</u>
Analysed in Balance Sheet				
Cash at bank and in hand	1,164			1,115
Bank overdrafts	<u>(741,738)</u>			<u>(877,696)</u>
Hire purchase or finance leases				
within one year	<u>(74,333)</u>			<u>(30,583)</u>
after one year	<u>(36,651)</u>			<u>(21,939)</u>
	<u>(851,558)</u>			<u>(929,103)</u>

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding 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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Leasehold property	- in accordance with the lease term
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Stocks 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 items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Design and development costs (including attributable overheads) on clearly defined projects are carried forward in work in progress, and are charged to the profit and loss account over the expected period of production of five years. Costs considered non recoverable are charged immediately to the profit and loss account.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid 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.

Notes to the Abbreviated Financial Statements
for the Year Ended 30 June 2003

2. **STAFF COSTS**

	30.6.03	30.6.02
	£	£
Wages and salaries	2,413,086	2,066,514
Social security costs	20,944	12,287
Other pension costs	6,000	5,000
	<u>2,440,030</u>	<u>2,083,801</u>

The average monthly number of employees during the year was as follows:

	30.6.03	30.6.02
Directors	4	4
Production	115	103
Administration	23	22
Cleaning	1	1
	<u>143</u>	<u>130</u>

3. **OPERATING LOSS**

The operating loss is stated after charging:

	30.6.03	30.6.02
	£	£
Hire of plant and machinery	30,948	39,687
Depreciation - owned assets	62,987	62,892
Depreciation - assets on hire purchase contracts or finance leases	31,560	48,802
Loss on disposal of fixed assets	6,612	-
Auditors' remuneration	<u>17,215</u>	<u>11,960</u>
Directors' emoluments	<u>186,038</u>	<u>117,139</u>

4. **INTEREST PAYABLE AND SIMILAR CHARGES**

	30.6.03	30.6.02
	£	£
Bank loan interest	9,309	12,613
Interest on late tax payment	-	127
Invoice discount charges	41,717	29,924
Loan	675	707
Lease and hire purchase charge	<u>16,281</u>	<u>12,264</u>
	<u>67,982</u>	<u>55,635</u>

5. **TAXATION**

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	30.6.03	30.6.02
	£	£
Current tax:		
UK corporation tax	-	(3,888)
Overprovision in prior years	-	(3,885)
Total current tax	-	(7,773)
Tax on loss on ordinary activities	-	(7,773)

6. **DIVIDENDS**

	30.6.03	30.6.02
	£	£
Equity shares:		
Interim - paid in year	-	58,000

7. **PRIOR YEAR ADJUSTMENTS**

In the previous year there was a change in the accounting policy relating to the treatment of costs incurred on clearly defined projects.

The project costs incurred in the last three accounting years, which comprise cost of direct materials and labour plus appropriate overhead expenses, are to be amortised over a period of five years commencing in the year the expenditure is incurred. A prior year adjustment was made in the previous year's accounts to reflect the work in progress at 30 June 2001 totalling £111,588 ie. four fifths of project expenditure incurred in the year ended 30 June 2001 ($4/5 \times £139,485 = £111,588$). This adjustment reflected expenditure to 30 June 2001 in accordance with the accounting policy detailed in note 1.

Notes to the Abbreviated Financial Statements
for the Year Ended 30 June 2003

8. **TANGIBLE FIXED ASSETS**

	<u>Leasehold property</u>	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>
	£	£	£
COST:			
At 1 July 2002	153,299	1,027,711	78,361
Additions	-	30,294	8,785
	<u>153,299</u>	<u>1,058,005</u>	<u>87,146</u>
At 30 June 2003			
DEPRECIATION:			
At 1 July 2002	46,006	685,123	59,717
Charge for year	10,729	55,932	4,114
	<u>56,735</u>	<u>741,055</u>	<u>63,831</u>
At 30 June 2003			
NET BOOK VALUE:			
At 30 June 2003	<u>96,564</u>	<u>316,950</u>	<u>23,315</u>
At 30 June 2002	<u>107,294</u>	<u>342,589</u>	<u>18,644</u>

	<u>Motor vehicles</u>	<u>Computer equipment</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 July 2002	223,984	53,212	1,536,567
Additions	-	3,404	42,483
Disposals	(74,695)	-	(74,695)
	<u>149,289</u>	<u>56,616</u>	<u>1,504,355</u>
At 30 June 2003			
DEPRECIATION:			
At 1 July 2002	121,962	42,425	955,233
Charge for year	20,225	3,547	94,547
Eliminated on disposals	(53,568)	-	(53,568)
	<u>88,619</u>	<u>45,972</u>	<u>996,212</u>
At 30 June 2003			
NET BOOK VALUE:			
At 30 June 2003	<u>60,670</u>	<u>10,644</u>	<u>508,143</u>
At 30 June 2002	<u>102,022</u>	<u>10,786</u>	<u>581,335</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 30 June 2003

8. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST:			
At 1 July 2002	290,692	119,365	410,057
Additions	22,864	-	22,864
Transferred to ownership	(130,692)	(11,680)	(142,372)
At 30 June 2003	<u>182,864</u>	<u>107,685</u>	<u>290,549</u>
DEPRECIATION:			
At 1 July 2002	155,528	44,513	200,041
Charge for year	14,078	17,482	31,560
Transferred to ownership	(66,521)	(6,752)	(73,273)
At 30 June 2003	<u>103,085</u>	<u>55,243</u>	<u>158,328</u>
NET BOOK VALUE:			
At 30 June 2003	<u>79,779</u>	<u>52,442</u>	<u>132,221</u>
At 30 June 2002	<u>135,164</u>	<u>74,852</u>	<u>210,016</u>

9. **STOCKS**

	30.6.03	30.6.02
	£	£
Stock	124,233	128,363
Work in progress	<u>277,409</u>	<u>276,923</u>
	<u>401,642</u>	<u>405,286</u>

10. **DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	30.6.03	30.6.02
	£	£
Trade debtors	935,455	936,036
Other debtors	138,446	102,876
Taxation debtor	3,888	-
Directors' current accounts	-	3,175
	<u>1,077,789</u>	<u>1,042,087</u>

11. **CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	30.6.03 £	30.6.02 £
Bank loans and overdrafts (see note 13)	914,713	777,653
Loan from Associated Company (see note 13)	9,000	9,000
Trade creditors	498,618	521,391
Hire purchase	30,583	74,333
Net wages creditor	22,270	20,419
Other creditors	64,203	139,934
Directors' current accounts	150,264	875
V.A.T.	110,268	125,389
Social security & other taxes	66,190	55,714
	<u>1,866,109</u>	<u>1,724,708</u>

12. **CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	30.6.03 £	30.6.02 £
Bank loans (see note 13)	89,521	125,869
Hire purchase	<u>21,939</u>	<u>36,651</u>
	<u>111,460</u>	<u>162,520</u>

13. **LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	30.6.03 £	30.6.02 £
Amounts falling due within one year or on demand:		
Bank overdrafts	877,696	741,738
Bank loans	37,017	35,915
Loan from Associated Company	<u>9,000</u>	<u>9,000</u>
	<u>923,713</u>	<u>786,653</u>

Amounts falling due between one and two years:

Bank loans	<u>39,169</u>	<u>36,348</u>
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Amounts falling due between two and five years:

Bank loans	<u>50,352</u>	<u>89,521</u>
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14. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	30.6.03 £	Land and buildings operating leases 30.6.02 £
Expiring: In more than five years	<u>205,992</u>	<u>214,128</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	30.6.03 £	30.6.02 £
Bank overdrafts	877,696	741,738
Bank loans	<u>126,538</u>	<u>161,784</u>
	<u>1,004,234</u>	<u>903,522</u>

The bank loans and overdrafts are secured by a fixed charge over book debts and a floating charge over all other assets.

16. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.03 £	30.6.02 £
10,000	Ordinary	£1.00	<u>10,000</u>	<u>10,000</u>

17. SHARE PREMIUM

	30.6.03 £	30.6.02 £
Brought forward	<u>28,000</u>	<u>28,000</u>

18. RELATED PARTY DISCLOSURES

The company trades from premises owned by Peter Fanning (Holdings) Limited, a company in which Mr C L Fecher has a material interest. The premises are occupied under a lease granted in 1991 for a period of 21 years at full market rent.

19. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	30.6.03	30.6.02
	£	£
Loss for the financial year	(131,524)	(203,834)
Dividends	<u>-</u>	<u>(58,000)</u>
Net reduction of shareholders' funds	(131,524)	(261,834)
Opening shareholders' funds	<u>142,644</u>	<u>404,478</u>
Closing shareholders' funds	<u>11,120</u>	<u>142,644</u>
Equity interests	<u>11,120</u>	<u>142,644</u>