COMPANY REGISTRATION NUMBER 1525421

A M PACKAGING LIMITED

ABBREVIATED ACCOUNTS

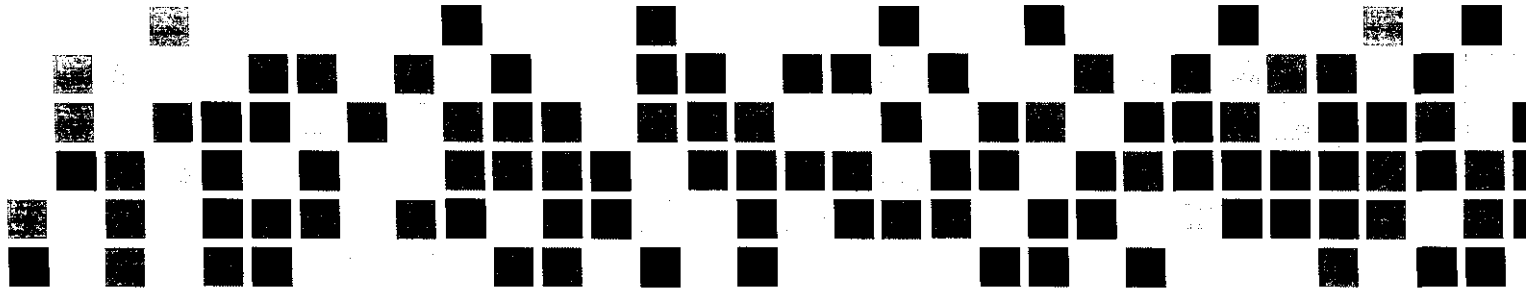
FOR THE YEAR ENDED

31 DECEMBER 2002



STREETS

CHARTERED ACCOUNTANTS



A M PACKAGING LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

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A M PACKAGING LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW
The principal activity of the company during the year was that of the rebuilding and modification of processing machines for the chocolate and confectionery industries.

Despite a disappointing year's results the directors are pleased with the performance since the year end and are confident that next years results will shown a return to profitability and an increase in turnover.

RESULTS AND DIVIDENDS
The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY
The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2002	At 1 January 2002
Mr Alan Mann	**3,000**	3,000
Mr Paul Mann	**300**	300
Mr Andrew Mann	**300**	300

STOCK VALUATION AND AUDIT QUALIFICATION

Since the Balance Sheet date the directors and employees of the company have carried out an exercise, and have put in place a system of controls, which has led to a detailed summary and valuation of stock held at 31 December 2002. This figure is included in the balance sheet presented at 31 December 2002. It is hoped that the continuance of these controls will lead to an accurate and auditable spares stock figure to be presented to the auditors as at the year ended 31 December 2003.

It is hoped that the above will mean that the audit report included in the financial statement for the year ended 31 December 2003 will be unqualified with respect to the Spares stock values.

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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 13 to 15, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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. The directors 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

A resolution to re-appoint Streets as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Unit 3
Heapham Road
Gainsborough
Lincolnshire
DN21 1QU

Signed by order of the directors

MR PAUL V. MANN
Company Secretary

Approved by the directors on 29/10/03.

A M PACKAGING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 6 to 24, together with the financial statements of the company for the year ended 31 December 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 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 accounts prepared in accordance with section 246A(3) 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 financial statements, 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 financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 6 to 24 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 29 October 2003 we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 2002, and the full text of our audit report is reproduced on pages 4 to 5 of these financial statements.



Tower House
Lucy Tower Street
Lincoln
LN1 1XW

29 October 2003

STREETS
Chartered Accountants
& Registered Auditors

A M PACKAGING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 DECEMBER 2002

We have audited the financial statements on pages 5 to 24 which have been prepared under the historical cost convention and the accounting policies set out on pages 11 to 13.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 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' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Directors' Responsibilities on pages 1 to 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 directors 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 that 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.

However, the evidence available to us was limited because the company's spares stock valued at £270,000 as at 31 December 2001 and £421,789 as at 31 December 2002 , which is included in finished goods, was valued by the directors based on their count of all of the company's spares and where cost could not be identified they made their own estimate as to its value. There was no evidence or documentation which we could use for the purpose of our audit in order to ensure that these amounts of stock estimated by the directors had been accurately recorded.

QUALIFIED OPINION

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning spares stock as at 31 December 2001 of £270,000 and £421,789 as at 31 December 2002 in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our work relating to spares stock as at 31 December 2001 and 31 December 2002:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and

- we were unable to determine whether proper accounting records had been maintained.



Tower House
Lucy Tower Street
Lincoln
LN1 1XW

29 October 2003

STREETS
Chartered Accountants
& Registered Auditors

A M PACKAGING LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2002

	Note	2002 £	2001 £
GROSS PROFIT		**2,132,051**	1,918,788
Distribution Costs		**270,655**	373,965
Administrative expenses		**1,629,104**	1,428,455
OPERATING PROFIT	**2**	**232,292**	116,368
Interest receivable and similar income	**5**	**69**	(8,805)
Amounts written off investments	**6**	**(100)**	(69,286)
Interest payable and similar charges	**7**	**(98,985)**	(164,920)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**133,276**	(126,643)
Tax on profit/(loss) on ordinary activities	**8**	**36,959**	(71,159)
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**96,317**	(55,484)

All of the activities of the company are classed as continuing.

The notes on pages 13 to 24 form part of these abbreviated accounts.

A M PACKAGING LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 DECEMBER 2002

	2002 £	2001 £
Profit/(Loss) for the financial year attributable to the shareholders	**96,317**	(55,484)
Total recognised gains and losses relating to the year	**96,317**	(55,484)
Prior year adjustment (see note 9)	–	18,490
Total gains and losses recognised since the last annual report	**96,317**	(36,994)

The notes on pages 13 to 24 form part of these abbreviated accounts.

A M PACKAGING LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Intangible assets	10		**14,250**		–
Tangible assets	11		**1,324,497**		1,383,220
Investments	12		**665,071**		520,001
			2,003,818		1,903,221
CURRENT ASSETS					
Stocks	13	**1,964,066**		2,140,746	
Debtors	14	**1,056,195**		713,253	
Investments	15	**979**		1,079	
Cash at bank		**58,872**		259,130	
		3,080,112		3,114,208	
CREDITORS: Amounts falling due within one year	16	**2,054,157**		1,902,704	
NET CURRENT ASSETS			**1,025,955**		1,211,504
TOTAL ASSETS LESS CURRENT LIABILITIES			**3,029,773**		3,114,725
CREDITORS: Amounts falling due after more than one year	17		**641,324**		850,949
			2,388,449		2,263,776
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	19		**38,367**		10,011
			2,350,082		2,253,765

The Balance sheet continues on the following page.

The notes on pages 13 to 24 form part of these abbreviated accounts.

A M PACKAGING LIMITED

ABBREVIATED BALANCE SHEET *(continued)*

31 DECEMBER 2002

	Note	2002 £	2001 £
CAPITAL AND RESERVES			
Called-up equity share capital	21	**4,000**	4,000
Profit and loss account		**2,346,082**	2,249,765
SHAREHOLDERS' FUNDS	22	**2,350,082**	2,253,765

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

These abbreviated accounts were approved by the directors on the 29/10/03 and are signed on their behalf by:

.....
MR PAUL MANN

.....
MR ANDREW MANN

The notes on pages 13 to 24 form part of these abbreviated accounts.

A M PACKAGING LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2002

	2002		2001	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		**413,051**		196,744
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	**69**		(8,805)	
Interest paid	**(95,515)**		(155,572)	
Interest element of hire purchase	**(3,470)**		(9,348)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		**(98,916)**		(173,725)
TAXATION		**(2,087)**		140,297
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
Payments to acquire intangible fixed assets	**(15,000)**		–	
Payments to acquire tangible fixed assets	**(95,998)**		(77,464)	
Receipts from sale of fixed assets	**12,600**		9,054	
Disposal of Investments brought forward	**–**		9,000	
Payment to acquire other current asset investments	**100**		(1)	
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		**(98,298)**		(59,411)
ACQUISITIONS AND DISPOSALS				
Acquisition of shares in group undertakings	**(145,170)**		(64,437)	
NET CASH OUTFLOW FROM ACQUISITIONS AND DISPOSALS		**(145,170)**		(64,437)
CASH INFLOW BEFORE FINANCING		**68,580**		39,468
Carried forward		**68,580**		39,468

The notes on pages 13 to 24 form part of these abbreviated accounts.

A M PACKAGING LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 DECEMBER 2002

	2002		2001	
	£	£	£	£
Brought forward		**68,580**		39,468
FINANCING				
Repayment of bank loans	**(210,790)**		(968,157)	
New amounts due to participating interests	**–**		(325,000)	
Repayment of long-term amounts due to participating interests	**–**		325,000	
Capital element of hire purchase	**7,847**		(47,870)	
Net inflow from other long-term creditors	**21,097**		331,229	
NET CASH OUTFLOW FROM FINANCING		**(181,846)**		(684,798)
DECREASE IN CASH		**(113,266)**		(645,330)

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002	2001
	£	£
Operating profit	**232,292**	116,368
Amortisation	**750**	–
Depreciation	**86,623**	96,858
Loss on disposal of fixed assets	**40,141**	5,227
Decrease/(increase) in stocks	**176,680**	(431,797)
(Increase)/decrease in debtors	**(342,942)**	1,082,518
Increase/(decrease) in creditors	**219,507**	(672,430)
Net cash inflow from operating activities	**413,051**	196,744

A M PACKAGING LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 DECEMBER 2002

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2002		2001	
	£	£	£	£
Decrease in cash in the period	**(113,266)**		(645,330)	
Net cash outflow from bank loans	**210,790**		968,157	
Cash outflow in respect of hire purchase	**(7,847)**		47,870	
Net cash (inflow) from other long-term creditors	**(21,097)**		(331,229)	
		68,580		39,468
Change in net debt		**68,580**		39,468
Net debt at 1 January 2002		**(1,709,873)**		(1,749,341)
Net debt at 31 December 2002		**(1,641,293)**		(1,709,873)

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2002	Cash flows	Other changes	At 31 Dec 2002
	£	£	£	£
Net cash:				
Cash in hand and at bank	**259,130**	**(200,258)**	–	**58,872**
Overdrafts	**(876,564)**	**71,635**	–	**(804,929)**
	(617,434)	**(128,623)**	–	**(746,057)**
Debt:				
Debt due within 1 year	**(221,210)**	**(11,846)**	–	**(233,056)**
Debt due after 1 year	**(833,879)**	**201,539**	–	**(632,340)**
Hire purchase agreements	**(37,350)**	**7,510**	–	**(29,840)**
	(1,092,439)	**197,203**	–	**(895,236)**
Net debt	**(1,709,873)**	**68,580**	–	**(1,641,293)**

The notes on pages 13 to 24 form part of these abbreviated accounts.

A M PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES

Basis of accounting

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

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow statement

The company has taken advantage of the exemptions available to medium sized companies within FRS 1, and accordingly has not prepared a cashflow statement.

Turnover

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

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Intellectual Property and Know How	-	10% straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% straight line on buildings element
Plant and Machinery	-	10% reducing balance
Furniture and Equipment	-	10% reducing balance
Motor Vehicles	-	25% 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.

Payments on account represent deposits received prior to the completion of work in progress and sales invoices being raised. These payments are deducted from the total value of stock in the balance sheet.

1. ACCOUNTING POLICIES *(continued)*

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.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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.

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, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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. ACCOUNTING POLICIES *(continued)*

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 into account in arriving at the operating profit.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2002	2001
	£	£
Amortisation	**750**	–
Depreciation of owned fixed assets	**75,716**	83,248
Depreciation of assets held under hire purchase agreements	**10,907**	13,610
Loss on disposal of fixed assets	**40,141**	5,227
Auditors' remuneration - as auditors	**6,000**	6,000
Net loss/(profit) on foreign currency translation	**5,811**	(13,135)

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No	No
Number of production staff	**86**	106
Number of distribution staff	**6**	5
Number of administrative staff	**9**	10
Number of management staff	**1**	1
	102	122

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	**2,239,230**	2,566,126
Social security costs	**214,496**	254,322
Other pension costs	**27,831**	24,801
	2,481,557	2,845,249

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Emoluments receivable	**234,090**	193,793

Emoluments of highest paid director:

	2002	2001
	£	£
Total emoluments (excluding pension contributions):	**126,208**	–

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001
	No	No
Money purchase schemes	**3**	3

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2002	2001
	£	£
Bank interest receivable	–	7,869
Other loan interest receivable	–	1,699
Other shares dividends received	**69**	71
Other similar income receivable	–	(18,444)
	69	(8,805)

6. AMOUNTS WRITTEN OFF INVESTMENTS

	2002	2001
	£	£
Provision for losses on fixed asset investments	–	69,286
Amounts written off current asset investments	**100**	–
	100	69,286

After the year end the company's 50% subsidiary, Premier Packaging Systems Limited, went into administration. The directors believe it is prudent to write the company's investment down to £nil and provide for the amounts owed to A M Packaging Limited by Premier Packaging Systems Limited when it went into administration as they believe these amounts are unlikely to be recovered.

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Interest payable on bank borrowing	**83,141**	147,304
Finance charges	**3,470**	9,348
Other similar charges payable	**12,374**	8,268
	98,985	164,920

8. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2002	2001
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 19.25% (2001 - –%)	**8,970**	–
Over/under provision in prior year	**(359)**	6,352
	8,611	6,352
Income tax recoverable	**(8)**	–
Total current tax	**8,603**	6,352
Deferred tax:		
Increase/(decrease) in deferred tax provision	**28,356**	(77,511)
Tax on profit/(loss) on ordinary activities	**36,959**	(71,159)

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19.25% (2001 - –%).

	2002	2001
	£	£
Profit/(loss) on ordinary activities before taxation	**133,276**	(126,643)
Profit/(loss)on ord actvs by rate of tax	**25,656**	–
Depreciation for the period in excess of capital allowances	**2,064**	–
Expenses not deductible for tax purposes	**46,572**	–
Utilisation of tax losses	**(65,322)**	–
Adjustments to tax charge in respect of previous periods	**(359)**	6,352
Income tax recoverable	**(8)**	–
Total current tax (note 8(a))	**8,603**	6,352

9. PRIOR YEAR ADJUSTMENT

The prior year adjustment made to the financial statements for the year ended 31 December 2000, shown in note 25, reduced sales by £56,917, cost of sales by £40,090, expenses by £33,933 and increased interest receivable by £1,384 with the amounts receivable from group undertakings were increased by £18,490 accordingly. This adjustment relates to the trading of Rose Precision Components Limited, but not correctly identified in the financial statements for the year ended 31 December 2001.

10. INTANGIBLE FIXED ASSETS

	Intellectual Property £
COST	
At 1 January 2002	**366,786**
Additions	**15,000**
At 31 December 2002	**381,786**
AMORTISATION	
At 1 January 2002	**366,786**
Charge for the year	**750**
At 31 December 2002	**367,536**
NET BOOK VALUE	
At 31 December 2002	**14,250**
At 31 December 2001	–

11. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 1 January 2002	**942,012**	**744,535**	**263,775**	**231,263**	**2,181,585**
Additions	**–**	**42,837**	**25,345**	**12,459**	**80,641**
Disposals	**–**	**(110,885)**	**–**	**(64,928)**	**(175,813)**
Transfers	**–**	**4,247**	**(4,247)**	**–**	**–**
At 31 December 2002	**942,012**	**680,734**	**284,873**	**178,794**	**2,086,413**
DEPRECIATION					
At 1 January 2002	**119,588**	**418,973**	**109,875**	**149,929**	**798,365**
Charge for the year	**15,397**	**35,750**	**16,799**	**18,677**	**86,623**
On disposals	**–**	**(73,628)**	**–**	**(49,444)**	**(123,072)**
Transfer	**–**	**2,722**	**(2,722)**	**–**	**–**
At 31 December 2002	**134,985**	**383,817**	**123,952**	**119,162**	**761,916**
NET BOOK VALUE					
At 31 December 2002	**807,027**	**296,917**	**160,921**	**59,632**	**1,324,497**
At 31 December 2001	822,424	325,562	153,900	81,334	1,383,220

Hire purchase agreements
Included within the net book value of £1,324,497 is £46,027 (2001 - £40,831) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £10,907 (2001 - £13,610).

12. INVESTMENTS

	Shares & Loans in Group Undertakings	Investments Other Than Loans	Total
	£	£	£
COST			
At 1 January 2002	**580,644**	**36,000**	**616,644**
Additions	**145,070**	**–**	**145,070**
At 31 December 2002	**725,714**	**36,000**	**761,714**
AMOUNTS WRITTEN OFF			
At 1 January 2002 and 31 December 2002	**60,643**	**36,000**	**96,643**
NET BOOK VALUE			
At 31 December 2002	**665,071**	**–**	**665,071**
At 31 December 2001	520,001	–	520,001

The company owns 83% of the issued share capital in AMP Rose Private Limited, a company incorporated and operated in India. The company also owns 60% of the issued share capital in AMP Rose South Africa (PTY) Limited, a company incorporated and operated in South Africa.

The company also owns 50% of the issued share capital in Rose Precision Components Limited, a company incorporated and operated in the UK. The company also owns 50% of the issued share capital in Premier Packaging Systems Limited,a company incorporated and operated in the UK, the cost of this investment in included in Investments other than loans. Both of these companies ceased to trade in the year to 31 December 2001 and hence no figures for the year ended 31 December 2002 are available.

Aggregate capital and reserves

	2002	2001
	£	£
AMP Rose Private Limited	30,772	31,300
AMP Rose South Africa (PTY) Limited	see below	48,262
Rose Precision Components Limited		(1,804)

Profit and (loss) for the year

	2002	2001
	£	£
AMP Rose Private Limited	11,522	(88,803)
AMP Rose South Africa (PTY) Limited	see below	3,128
Rose Precision Components Limited		(1,806)

The figures relating to the Indian subsidiary are as at 31st March 2002.No financial statements have yet been produced for the South African subsidary for the year ended 28 February 2002. The figures for the year ended 28 February 2002, will be disclosed in the A M Packaging Limited's financial statements for the year ended 31 December 2003.

13. STOCKS

	2002	2001
	£	£
Work in progress	**1,350,775**	1,489,489
Finished goods	**1,158,048**	1,482,327
Payments on account	**(544,757)**	(831,070)
	1,964,066	2,140,746

14. DEBTORS

	2002	2001
	£	£
Trade debtors	**749,030**	459,979
Amounts owed by group undertakings	**80,883**	94,644
Other debtors	**87,253**	27,401
Directors current accounts	**117,221**	109,604
Prepayments and accrued income	**21,808**	21,625
	1,056,195	713,253

The directors current accounts balance of £117,221 (2001: £109,604) relates to Mr Alan Mann, a director. The maximum balance in the year was £117,221.

15. INVESTMENTS

	2002	2001
	£	£
Other investments	**979**	1,079

Listed investments
Investments having a net book value of £978 (2001 - £978) are listed on a recognised stock exchange and had a market value of £1,113 at the end of the year (2001 - £902).

16. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Bank loans and overdrafts	**1,037,985**	1,097,774
Trade creditors	**652,758**	433,561
Amounts owed to group undertakings	**19,806**	22,690
Other creditors including taxation and social security:		
Corporation tax	**35,403**	28,887
Other taxation and social security	**115,122**	125,259
Hire purchase agreements	**20,856**	20,280
Other creditors	**143,323**	61,000
	2,025,253	1,789,451
Accruals and deferred income	**28,904**	113,253
	2,054,157	1,902,704

16. CREDITORS: Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	**1,037,985**	1,097,774

Creditors totalling £1,097,774 are secured by a fixed and floating charge over the current and future assets of the company.

17. CREDITORS: Amounts falling due after more than one year

	2002	2001
	£	£
Bank loans and overdrafts	**280,014**	502,650
Other creditors:		
Hire purchase agreements	**8,984**	17,070
Other creditors	**352,326**	331,229
	641,324	850,949

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	**605,014**	833,879

Creditors of £325,000 are secured by a floating charge over the company.

Creditors totalling £280,014 are secured by a fixed and floating charge over the current and future assets of the company.

18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2002	2001
	£	£
Amounts payable within 1 year	**20,856**	20,280
Amounts payable between 2 to 5 years	**8,984**	17,070
	29,840	37,350

19. DEFERRED TAXATION

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	**10,011**	87,522
Profit and loss account movement arising during the year	**28,356**	(77,511)
Provision carried forward	**38,367**	10,011

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002 £	2001 £
Excess of taxation allowances over depreciation on fixed assets	**80,333**	129,095
Tax losses available	**–**	(119,084)
Other timing differences	**(41,966)**	–
	38,367	10,011

20. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	2002 Land & Buildings £	2002 Other Items £	2001 Land & Buildings £	2001 Other Items £
Operating leases which expire:				
Within 1 year	**–**	**109**	27,730	–
Within 2 to 5 years	**–**	**406**	–	843
	–	**515**	27,730	843

21. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
10,000 Ordinary shares of £1 each	**10,000**	10,000

Allotted, called up and fully paid:

	2002 No	2002 £	2001 No	2001 £
Ordinary shares of £1 each	**4,000**	**4,000**	4,000	4,000

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002		2001	
	£	£	£	£
Profit/(Loss) for the financial year		**96,317**		(55,484)
Opening shareholders' equity funds	**2,253,765**		2,290,759	
Prior year adjustment (see note 9)	**–**		18,490	
		2,253,765		2,309,249
Closing shareholders' equity funds		**2,350,082**		2,253,765