

Registration Number 1564607

Derby Polythene Limited

Director's Report and Financial Statements

for the year ended 31st March 2002



Derby Polythene Limited

Company Information

Director	C. R. Wathey
Secretary	Mrs P. J. Wathey
Company Number	1564607
Registered Office	6 Nottingham Road Long Eaton Nottingham NG10 1HP
Auditors	Phipp & Co. (Accountants) Limited 6 Nottingham Road Long Eaton Nottingham NG10 1HP
Business Address	Unit 1 Spiral Tibe Works Off Osmanton Park road Derby
Bankers	Royal Bank of Scotland p.l.c., Cornmarket Derby

Derby Polythene Limited

Contents

	Page
Director's Report	1
Auditors Report	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5 - 9

Derby Polythene Limited

Director's Report for the year ended 31st March 2002

The director presents his report and the financial statements for the year ended 31st March 2002.

Principal Activity

The principal activity of the company, which is unchanged since last year, is the manufacture of polythene products.

Director and his Interest

The director who served during the year and his interest in the company are as stated below:

	Ordinary shares				
	Company		Group		
	2002	2001	2002	2001	
C. R. Wathey	-	-	7,500	7,500	(Donington Plastics Ltd)

Director's Responsibilities

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the director is required to:

- select suitable accounting policies and 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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

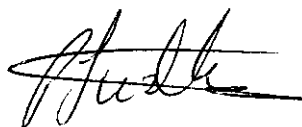
In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Phipp & Co. (Accountants) Limited be reappointed as auditors of the company will be put to the Annual General Meeting.

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
and signed on its behalf by

8 January 2003

Mrs P. J. Wathey
Secretary



Derby Polythene Limited

Independent Auditors' Report to the Shareholders of Derby Polythene Limited

We have audited the financial statements on pages 3 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 5.

Respective responsibilities of director and auditors

As described on page 1 the company's director is responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 misstatement within it.

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 director 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Phipp & Co. (Accountants) Limited
Chartered Accountants
Registered Auditor
6 Nottingham Road
Long Eaton
Nottingham
NG10 1HP

8 June 2003

Derby Polythene Limited

Profit and Loss Account for the year ended 31st March 2002

		2002	2001
	Notes	£	£
Turnover	2	314,234	396,153
Cost of sales		(230,417)	(292,228)
Gross profit		83,817	103,925
Distribution costs		(7,359)	(4,940)
Administrative expenses		(21,574)	(25,338)
Operating profit	3	54,884	73,647
Interest receivable and similar income		2,424	3,889
Interest payable and similar charges		(6)	-
Profit on ordinary activities before taxation		57,302	77,536
Tax on profit on ordinary activities	5	(11,167)	(15,740)
Profit on ordinary activities after taxation		46,135	61,796
Dividends		(100,000)	-
(Loss)/retained profit for the year		(53,865)	61,796
Retained profit brought forward		242,155	180,359
Retained profit carried forward		188,290	242,155

The notes on pages 5 to 9 form an integral part of these financial statements.

Derby Polythene Limited

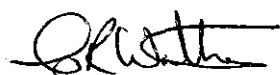
Balance Sheet as at 31st March 2002

		2002		2001	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	6		23,413		30,082
Current Assets					
Stocks	7	9,341		4,675	
Debtors	8	164,637		187,013	
Cash at bank and in hand		46,756		87,563	
		<u>220,734</u>		<u>279,251</u>	
Creditors: amounts falling due within one year	9	(43,354)		(54,439)	
Net Current Assets			177,380		224,812
Total Assets Less Current Liabilities			200,793		254,894
Provisions for Liabilities and Charges	-		(1,028)		(1,264)
Net Assets			<u>199,765</u>		<u>253,630</u>
Capital and Reserves					
Called up share capital	11		1,000		1,000
Revaluation reserve	12		10,475		10,475
Profit and loss account	12		188,290		242,155
Shareholders' Funds			<u>199,765</u>		<u>253,630</u>

The 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 March 2000).

The financial statements were approved by the Board on 8 June 2003 and signed on its behalf by

C. R. Wathey
Director



The notes on pages 5 to 9 form an integral part of these financial statements.

Derby Polythene Limited

Notes to the Financial Statements for the year ended 31st March 2002

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

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 or valuation less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	15% p.a. on reducing balance
Fixtures, fittings and equipment	-	15% p.a. on reducing balance
Motor vehicles	-	25% p.a. on reducing balance

1.4. Stock

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

1.5. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2002 £	2001 £
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	6,968	9,090
Loss on disposal of tangible fixed assets	-	819
Auditors' remuneration	1,743	1,720

Derby Polythene Limited

Notes to the Financial Statements for the year ended 31st March 2002

..... continued

4. Director's emoluments

	2002	2001
	£	£
Remuneration and other benefits	4,500	3,952

5. Taxation

	2002	2001
	£	£
UK current year taxation		
UK Corporation Tax	11,643	16,000
Transfer from deferred taxation	(236)	(260)
	11,407	15,740
Prior years		
UK Corporation Tax	(240)	-
	11,167	15,740

6. Tangible fixed assets

	Plant and machinery	Fixtures, fittings equipment	Motor vehicles	Total
	£	£	£	£
Cost/revaluation				
At 1st April 2001	31,539	12,100	38,400	82,039
Additions	-	299	-	299
At 31st March 2002	31,539	12,399	38,400	82,338
Depreciation				
At 1st April 2001	27,694	9,976	14,287	51,957
Charge for the year	577	363	6,028	6,968
At 31st March 2002	28,271	10,339	20,315	58,925
Net book values				
At 31st March 2002	3,268	2,060	18,085	23,413
At 31st March 2001	3,845	2,124	24,113	30,082

Derby Polythene Limited

**Notes to the Financial Statements
for the year ended 31st March 2002**

..... continued

7. Stocks	2002	2001
	£	£
Stocks	9,341	4,675
Stock comprises of raw materials.		
8. Debtors	2002	2001
	£	£
Trade debtors	55,282	91,666
Amounts owed by group undertakings	107,882	94,535
Prepayments and accrued income	1,473	812
	164,637	187,013
9. Creditors: amounts falling due within one year	2002	2001
	£	£
Trade creditors	14,184	25,478
Corporation tax	11,643	16,000
Other taxes and social security costs	14,739	10,981
Accruals and deferred income	2,788	1,980
	43,354	54,439

Derby Polythene Limited

Notes to the Financial Statements for the year ended 31st March 2002

..... continued

10. Deferred Taxation

Deferred tax is analysed over the following timing differences:

	Provided	
	2002	2001
	£	£
Accelerated capital allowances	1,028	1,264

Movements on the provision for deferred taxation are:

	2002	2001
	£	£
At 1st April 2001	1,264	1,524
Transferred to profit and loss account	(236)	(260)
At 31st March 2002	1,028	1,264

11. Share capital

	2002	2001
	£	£
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

12. Reserves

	Revaluation reserve	Profit and loss account	Total
	£	£	£
At 1st April 2001	10,475	242,155	252,630
(Loss)/retained profit for the year		(53,865)	(53,865)
At 31st March 2002	10,475	188,290	198,765

Derby Polythene Limited

Notes to the Financial Statements for the year ended 31st March 2002

..... continued

13. Contingent liabilities

Unlimited cross guarantees exist between the company and its' parent company together with three other companies, Goldstar Services Ltd., Central Polythene Ltd. and Derby Flexographic Printers Ltd., in respect of all bank borrowings at 31st March 2002. The total bank borrowings at that date were below agreed lending limits.

14. Related party transactions

The company makes purchases, at normal commercial rates, from the holding company, Donington Plastics Ltd and Derby Flexographic Printers Ltd in which the director also has an interest. In the year ended 31st March 2002 these amounted to £66,407 from the former and £9,202 from the latter. The amount owed to Derby Flexographic Printers Ltd at the balance sheet date was £1,835.

15. Ultimate parent undertaking

The director regards the ultimate holding company to be Donington Plastics Limited, a company incorporated in the United Kingdom. The company is exempt under Section 228 of the Companies Act 1985 from preparing group accounts.