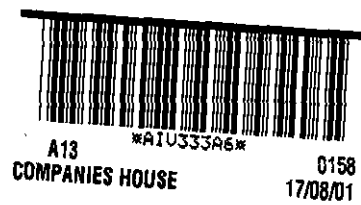

PARKES PRODUCTS LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 JANUARY 2001**



PARKES PRODUCTS LIMITED

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PARKES PRODUCTS LIMITED

DIRECTORS' REPORT **For the year ended 31 January 2001**

The directors present their report and the financial statements for the year ended 31 January 2001.

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.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activities of the company in the period were the manufacture and supply of building components and the manufacture and supply of road signs and road safety equipment.

As detailed in note 1 to the accounts the company is in a voluntary arrangement with creditors and members, having entered into this arrangement in July 1996. The directors are pleased to report that the company has continued to trade profitably. It is the opinion of the directors that the company will continue to trade profitably and that accordingly the arrangement will succeed.

RESULTS AND DIVIDENDS

The profit for the year after tax was £7,019 (2000 - £25,449). The directors do not recommend a dividend.

DIRECTORS

The directors who served during the year and their beneficial interests in the issued share capital were:

	Ordinary shares of £1.00 each	
	<u>31/1/01</u>	<u>1/2/00</u>
DE Berwick	3,750	3,750
BS Parish	1,500	1,500

PARKES PRODUCTS LIMITED

DIRECTORS' REPORT
For the year ended 31 January 2001

LAND AND BUILDINGS

The directors consider there is no substantial difference between the market and the balance sheet values of land and buildings.

AUDITORS

The auditors, Waller Wilson & Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 1 August 2001 and signed on its behalf.



DE Berwick
Secretary

PARKES PRODUCTS LIMITED

AUDITORS' REPORT TO PARKES PRODUCTS LIMITED
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 6 - 18, together with the financial statements of the company for the year ended 31 January 2001 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND 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 and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures 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 sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 6 - 18 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On / ~~AUGUST 2001~~ we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 and included the following statement:

In forming our opinion we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the uncertainty as to the outcome of the voluntary arrangement between the company and its creditors and members. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect

Waller Wilson & Co

1 August 2001

Waller Wilson & Co

Chartered Accountants
Registered Auditors
The Forge Cottage
2 High Street
Mildenhall
Suffolk
IP28 7EJ

PARKES PRODUCTS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 31 January 2001

	Note	2001 £	2000 £
GROSS PROFIT		1,119,212	1,027,018
Administrative expenses		<u>(1,041,131)</u>	<u>(946,288)</u>
OPERATING PROFIT	3	78,081	80,730
EXCEPTIONAL ITEMS	7		
Net (loss)/profit on sale of tangible fixed assets		<u>(46,765)</u>	<u>4,042</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		31,316	84,772
Income from other fixed asset investments		36,000	-
Interest receivable		1,553	1,233
Interest payable	6	<u>(53,111)</u>	<u>(49,687)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		15,758	36,318
TAX ON PROFIT ON ORDINARY ACTIVITIES	8	<u>(8,739)</u>	<u>(10,869)</u>
RETAINED PROFIT FOR THE YEAR		<u>£ 7,019</u>	<u>£ 25,449</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2001 or 2000 other than those included in the profit and loss account.

The notes on pages 8 to 18 form part of these financial statements.

PARKES PRODUCTS LIMITED

NOTE OF HISTORICAL COST PROFITS AND LOSSES
For the year ended 31 January 2001

	2001 £	2000 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	15,758	36,318
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	2,749	2,749
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	£ 18,507	£ 39,067
HISTORICAL PROFIT FOR THE YEAR RETAINED AFTER TAXATION AND DIVIDENDS	£ 9,768	£ 28,198

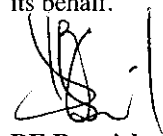
PARKES PRODUCTS LIMITED

ABBREVIATED BALANCE SHEET
As at 31 January 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible fixed assets	9	842,951	629,217
Investments	10	160,000	160,000
CURRENT ASSETS			
Stocks	11	476,773	443,632
Debtors	12	565,473	819,344
Cash at bank and in hand		191	3,699
		<u>1,042,437</u>	<u>1,266,675</u>
CREDITORS: amounts falling due within one year	13	<u>(1,675,899)</u>	<u>(1,849,863)</u>
NET CURRENT LIABILITIES		<u>(633,462)</u>	<u>(583,188)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>369,489</u>	<u>206,029</u>
CREDITORS: amounts falling due after more than one year	14	(281,441)	(125,000)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	15	(10,000)	(10,000)
NET ASSETS		<u>£ 78,048</u>	<u>£ 71,029</u>
CAPITAL AND RESERVES			
Called up share capital	16	9,000	9,000
Revaluation reserve	17	178,194	178,194
Profit and loss account	17	(109,146)	(116,165)
SHAREHOLDERS' FUNDS - All Equity	18	<u>£ 78,048</u>	<u>£ 71,029</u>

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

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved by the board on 1 AUGUST 2001 and signed on its behalf.



DE Berwick
Director

The notes on pages 8 to 18 form part of these financial statements.

PARKES PRODUCTS LIMITED

ABBREVIATED CASH FLOW STATEMENT
For the year ended 31 January 2001

	Note	2001 £	2000 £
Net cash flow from operating activities	19	127,075	80,784
Returns on investments and servicing of finance	20	(15,558)	(48,454)
Taxation		(10,802)	(233)
Capital expenditure and financial investment	20	(350,097)	48,015
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(249,382)	80,112
Financing	20	241,172	(122,979)
DECREASE IN CASH IN THE PERIOD		£ (8,210)	£ (42,867)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 21)
For the year ended 31 January 2001

	2001 £	2000 £
Decrease in cash in the period	(8,210)	(42,867)
Cash (outflow)/inflow from increase in debt and financing leasing	(241,172)	122,979
MOVEMENT IN NET DEBT IN THE PERIOD	(249,382)	80,112
Net debt at 1 February 2000	(448,166)	(528,278)
NET DEBT AT 31 JANUARY 2001	£ (697,548)	£ (448,166)

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of Long leasehold land and buildings.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	0%	
Long-term leasehold land and buildings	-	2%	straight line
Plant and equipment	-	10%	straight line
Motor vehicles	-	25%	straight line
Office equipment	-	20 to 25%	straight line

1.4 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15 Tangible Fixed Assets the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at February 1991 and will not update that valuation.

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

1.7 Stocks and work in progress

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

1.8 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.9 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 ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom and the EC.

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2001 £	2000 £
Depreciation of tangible fixed assets:		
- owned by the company	68,828	65,616
- held under finance leases and hire purchase contracts	20,770	18,574
Auditors' remuneration	3,900	3,750
Auditors' remuneration - non-audit	850	600
Difference on foreign exchange	(523)	(195)
(Profit) on disposal of fixed assets	46,765	(4,042)

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2001 £	2000 £
Wages and salaries	614,253	649,107
Other pension costs	32,928	11,029
	<u>£ 647,181</u>	<u>£ 660,136</u>

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

2001	2000
<u>45</u>	<u>51</u>

5. DIRECTORS' REMUNERATION

	2001 £	2000 £
Emoluments	<u>£ 70,557</u>	<u>£ 54,758</u>
Company pension contributions to money purchase pension schemes	<u>£ 32,928</u>	<u>£ 11,029</u>

During the year retirement benefits were accruing to 2 directors (2000 - 2) in respect of money purchase pension schemes.

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

6. INTEREST PAYABLE

	2001	2000
	£	£
On bank loans and overdrafts	28,549	20,137
On other loans	23,031	27,040
On finance leases and hire purchase contracts	1,531	2,510
	£ 53,111	£ 49,687

7. EXCEPTIONAL ITEMS

	2001	2000
	£	£
Loss/(profit) on disposal of fixed assets	£ 46,765	£ (4,042)

8. TAXATION

	2001	2000
	£	£
UK corporation tax		
Current tax on income for the period	8,724	10,869
Adjustments in respect of prior periods - corporation tax	15	-
	£ 8,739	£ 10,869

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

9. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Total
	£	£	£	£	£
Cost or valuation					
At 1 February 2000	405,653	638,729	68,814	75,253	1,188,449
Additions	284,590	7,238	36,945	24,223	352,996
Disposals	-	(105,302)	(37,868)	(22,624)	(165,794)
At 31 January 2001	690,243	540,665	67,891	76,852	1,375,651
Depreciation					
At 1 February 2000	52,062	401,575	52,502	53,093	559,232
Charge for the year	7,684	53,831	16,437	11,646	89,598
On disposals	-	(58,031)	(35,475)	(22,624)	(116,130)
At 31 January 2001	59,746	397,375	33,464	42,115	532,700
Net book value					
At 31 January 2001	£ 630,497	£ 143,290	£ 34,427	£ 34,737	£ 842,951
At 31 January 2000	£ 353,591	£ 237,154	£ 16,312	£ 22,160	£ 629,217

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2001	2000
	£	£
Plant and machinery	25,743	35,668
Motor vehicles	22,546	13,123
	£ 48,289	£ 48,791

Included in land and buildings is freehold and long leasehold land at valuation of £145,500, (cost £104,770) which is not depreciated.

At 31 January 2001, included within the net book value of land and buildings is £326,451 relating to freehold land and buildings, and £304,046 relating to long term leasehold land and buildings.

At valuation:

The long leasehold land and buildings were valued by Messrs Barker Storey Hart, chartered surveyors, in February 1991 on an open market basis at £450,000. The directors decided to include a lesser amount of £350,000 in the light of prevailing economic conditions. As noted in note 1 the company has elected not to adopt a policy of revaluation and will retain the book value based on this valuation. The valuation included an amount of £80,000 in respect of land which is not depreciated. Under the historical cost accounting rules the net book value of the revalued land and buildings at 31 January 2001 would be £154,257 and under the same rules depreciation charged on these assets would have been £2,886: actual depreciation charged on these assets was £5,635.

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

10. FIXED ASSET INVESTMENTS

	Other invest- ments £	Total £
Cost		
At 1 February 2000 and 31 January 2001	£ 160,000	£ 160,000
<i>At 31 January 2000</i>	<i>£ 160,000</i>	<i>£ 160,000</i>

The investment is in 160,000 £1 9% redeemable preference shares in Positive Manufacturing Limited. These shares are redeemable after 30 June 2005 at six months notice. The dividend receivable in the year was £36,000

11. STOCKS

	2001 £	2000 £
Raw materials	54,084	71,665
Work in progress	15,341	7,076
Finished goods and goods for resale	407,348	364,891
	<u>£ 476,773</u>	<u>£ 443,632</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

12. DEBTORS

	2001 £	2000 £
Due within one year		
Trade debtors	475,921	717,172
Other debtors	81,285	89,837
Prepayments and accrued income	8,267	12,335
	<u>£ 565,473</u>	<u>£ 819,344</u>

Other debtors includes amounts paid into the voluntary arrangement and held in a separate account by the Supervisor of the arrangement. The balance on this account at the year end was £74,312 (2000: £73,041). Payments made to the Supervisor in the year were £120,000 and payments made by the Supervisor to creditors were £120,317.

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

13. CREDITORS:
Amounts falling due within one year

	2001	2000
	£	£
Bank loans, overdrafts, and amount due to factors	405,140	315,636
Net obligations under finance leases and hire purchase contracts	11,158	11,229
Trade creditors	1,062,257	1,253,077
Corporation tax	8,608	10,671
Social security and other taxes	55,126	67,295
Other creditors	72,369	148,724
Accruals and deferred income	61,241	43,231
	<u>£ 1,675,899</u>	<u>£ 1,849,863</u>

The company's indebtedness to the bank, which comprises overdraft of £142,116 (2000 £137,414) and loan of £165,132 (2000 £nil) is secured by a fixed and floating charge over all current and future assets of the company and legal mortgages over the company's freehold land and buildings. The bank loan is repayable in 10 years. The interest rate is 2.5% over National Westminster Bank plc base rate.

Trade creditors and other taxation and social security creditors include £576,984 (2000 £697,323) within the voluntary arrangement.

The balance with factors which is £249,047 (2000 £178,222) is secured on trade debtors.

Amounts owing to directors and a former director are secured by a mortgage debenture with a floating charge over the assets of the company. The amount due to directors included in other creditors is £34,818 and the amount due to a former director also in other creditors is £37,354.

Trade creditors include an amount due to Positive Manufacturing Ltd of £164,070: as noted below the directors are interested in transactions with this company by virtue of their shareholdings in it.

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

	2001	2000
	£	£
Pension scheme loan and bank loan	276,155	125,000
Net obligations under finance leases and hire purchase contracts	5,286	-
	<u>£ 281,441</u>	<u>£ 125,000</u>

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

The pension scheme loan of £125,000 (2000 £125,000) is a loan from the directors' small self administered scheme and is repayable on 20 March 2005. It is unsecured and interest is charged on this loan at 3% over Barclays Bank plc base rate. Details of the bank loan are given in the note above. Included within the above are amounts falling due as follows:

	2001 £	2000 £
Between one and two years		
Bank loans	13,977	-
Between two and five years		
Pension scheme loan and bank loan	166,931	-
Over five years		
Bank loan	95,247	125,000
Creditors include loans not wholly repayable within 5 years as follows:		
	2001 £	2000 £
Repayable by instalments	156,441	-
Repayable other than by instalments	125,000	125,000
	£ 281,441	£ 125,000

Details of pension scheme and bank loans are given above.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2001 £	2000 £
Between one and two years	£ 5,286	£ -

15. DEFERRED TAXATION

	2001 £	2000 £
At 1 February 2000 and 31 January 2001	£ 10,000	£ 10,000

The provision for deferred taxation and the amounts not provided are as follows:

	Amounts provided 2001 £	Amounts not provided 2001 £	Amounts provided 2000 £	Amounts not provided 2000 £
Accelerated capital allowances	10,000	19,287	10,000	14,534
In respect of the gain that would arise if the company's land and buildings were sold at the revalued amount	-	14,190	-	22,614
	£ 10,000	£ 33,477	£ 10,000	£ 37,148

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

16. CALLED UP SHARE CAPITAL

	2001 £	2000 £
Authorised		
10,000 Ordinary shares of £1.00 each	£ 10,000	£ 10,000
Allotted, called up and fully paid		
9,000 Ordinary shares of £1.00 each	£ 9,000	£ 9,000

17. RESERVES

Revaluation reserve	£
At 1 February 2000	178,194
At 31 January 2001	£ 178,194
Profit and loss account	£
At 1 February 2000	(116,165)
Profit retained for the year	7,019
At 31 January 2001	£ (109,146)

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the year	7,019	25,449
	7,019	25,449
Opening shareholders' funds	71,029	45,580
Closing shareholders' funds	£ 78,048	£ 71,029

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating profit	78,081	80,730
Depreciation of tangible fixed assets	89,598	-
(Increase)/decrease in stocks	(33,141)	25,373
Decrease/(increase) in debtors	253,871	(229,765)
(Decrease)/increase in creditors	(261,334)	204,446
NET CASH INFLOW FROM OPERATIONS	£ 127,075	£ 80,784

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

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

	2001	2000
	£	£
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	1,553	1,233
Interest paid	(51,580)	(47,177)
Hire purchase interest	(1,531)	(2,510)
Income from investments	36,000	-
NET CASH OUTFLOW FOR RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	£ (15,558)	£ (48,454)
	2001	2000
	£	£
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(352,996)	(27,520)
Sale of tangible fixed assets	2,899	75,535
NET CASH (OUTFLOW)/INFLOW FOR CAPITAL EXPENDITURE	£ (350,097)	£ 48,015
	2001	2000
	£	£
FINANCING		
New secured loans	235,957	-
Repayment of loans	-	(114,886)
Principal payment under finance lease	5,215	(8,093)
Increase in debt	241,172	(122,979)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	£ 241,172	£ (122,979)

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

21. ANALYSIS OF CHANGES IN NET DEBT

	1 February 2000 £	Cash flow £	Other non-cash changes £	31 January 2001 £
Cash at bank and in hand:	3,699	(3,508)	-	191
Bank overdraft	(137,414)	(4,702)	-	(142,116)
	<u>(133,715)</u>	<u>(8,210)</u>	<u>-</u>	<u>(141,925)</u>
DEBT :				
Debts due within one year	(189,451)	(241,172)	156,441	(274,182)
Debts falling due after more than one year	(125,000)	-	(156,441)	(281,441)
	<u>(314,451)</u>	<u>(241,172)</u>	<u>(156,441)</u>	<u>(712,064)</u>
NET DEBT	<u>£ (448,166)</u>	<u>£ (249,382)</u>	<u>£ -</u>	<u>£ (697,548)</u>

22. CAPITAL COMMITMENTS

At 31 January 2001 the company had capital commitments as follows:

	2001 £	2000 £
Contracted for but not provided in these financial statements	<u>£ -</u>	<u>£ 75,000</u>

23. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and another personal scheme for one director and amounted to £32,928 (2000 £11,029).

24. OPERATING LEASE COMMITMENTS

At 31 January 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2001 £	2000 £	2001 £	2000 £
Expiry date:				
Within 1 year	-	41,250	289	-
Between 2 and 5 years	-	-	18,120	18,409
After more than 5 years	<u>8,750</u>	<u>8,750</u>	<u>-</u>	<u>-</u>

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 January 2001

25. RELATED PARTY TRANSACTIONS

By virtue of their shareholdings in Positive Manufacturing Limited DE Berwick and BS Parish were deemed to be interested in transactions between Parkes Products Limited and Positive Manufacturing Limited. During the year the company traded on normal commercial terms with Positive Manufacturing Limited, the details being as follows. Sales to Positive Manufacturing Limited amounted to £716,177. Additionally the company recharged certain overhead expenses and made management charges to Positive Manufacturing Limited during the year of £83,200 in total. The balance outstanding at the year end between the two companies was £164,070 due by Parkes Products Limited which is included in trade creditors.

Additionally during the year the company was supplied with services by an independent business run by the wife of a director, DE Berwick. The value of these supplies, which were made on normal commercial terms was £4,421.

26. CONTROLLING PARTY

The company is under the control of the directors.