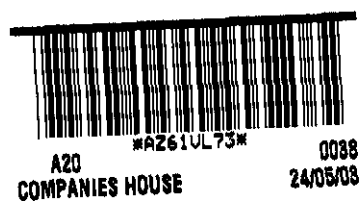

PARKES PRODUCTS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED
31 JANUARY 2003



PARKES PRODUCTS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Auditors' report	3
Profit and loss account	4
Note of historical cost profits and losses	5
Balance sheet	6
Cash flow statement	7
Notes to the abbreviated accounts	8 - 18

PARKES PRODUCTS LIMITED

DIRECTORS' REPORT For the Year ended 31 January 2003

The directors present their report and the financial statements for the year ended 31 January 2003.

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.

The company successfully completed its voluntary arrangement with creditors and members during the previous year. The company has traded profitably despite difficult trading conditions in the builders' merchants market. Increased investment during the year on new products, personal development of the workforce and marketing and promotion are anticipated to ensure that the company continues to be successful. The directors are actively pursuing acquisition opportunities.

RESULTS AND DIVIDENDS

The profit for the Year, after taxation, amounted to £15,065 (2002 - £361,431).

The directors recommend that no dividend should be paid.

DIRECTORS

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

	Ordinary shares of £1 each	
	31/1/03	1/2/02
DE Berwick	3,750	3,750
BS Parish	1,500	1,500

LAND AND BUILDINGS

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

FUTURE DEVELOPMENTS

The directors expect the company to continue successfully to develop existing markets and they consider that it is well placed to do so.

PARKES PRODUCTS LIMITED

DIRECTORS' REPORT
For the Year ended 31 January 2003

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 21 May 2003 and signed on its behalf.



DE Berwick
Secretary

PARKES PRODUCTS LIMITED

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

We have examined the abbreviated accounts of Parkes Products Limited for the Year ended 31 January 2003 set out on pages 4 to 18, together with the financial statements of the company for the Year ended 31 January 2003 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 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 and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF AUDIT 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 sections 246 A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 18 are properly prepared in accordance with those provisions.



Waller Wilson & Co

Chartered Accountants
Registered Auditors

The Forge Cottage
2 High Street
Mildenhall
Suffolk IP28 7EJ

21 May 2003

PARKES PRODUCTS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the Year ended 31 January 2003

	Note	Year ended 31 January 2003 £	Year ended 31 January 2002 £
GROSS PROFIT		894,289	860,207
Distribution costs		(196,701)	(161,131)
Administrative expenses		(657,066)	(627,361)
OPERATING PROFIT	2	40,522	71,715
EXCEPTIONAL ITEMS	6		
Net loss on sale of tangible fixed assets		-	(55,968)
Other exceptional items		-	384,617
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		40,522	400,364
Income from other fixed asset investments		14,400	14,400
Interest receivable		-	1,301
Interest payable	5	(37,949)	(46,678)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		16,973	369,387
TAX ON PROFIT ON ORDINARY ACTIVITIES	7	(1,908)	(7,956)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		15,065	361,431
RETAINED PROFIT/(LOSS) BROUGHT FORWARD		252,285	(109,146)
RETAINED PROFIT CARRIED FORWARD		<u>£ 267,350</u>	<u>£ 252,285</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2003 or 2002 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 2003

	Year ended 31 January 2003 £	Year ended 31 January 2002 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	16,973	369,387
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	3,446	3,444
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	£ 20,419	£ 372,831
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION AND DIVIDENDS	£ 18,511	£ 364,875

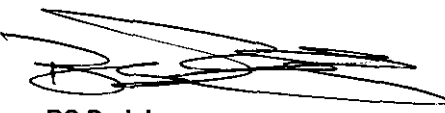
The notes on pages 8 to 18 form part of these financial statements.

PARKES PRODUCTS LIMITED

ABBREVIATED BALANCE SHEET
As at 31 January 2003

	Note	£	2003	£	£	2002	£
FIXED ASSETS							
Tangible fixed assets	8			695,688			735,198
Investments	9			160,000			160,000
				<u>855,688</u>			<u>895,198</u>
CURRENT ASSETS							
Stocks	10	431,552			368,656		
Debtors	11	515,301			459,693		
Cash in hand		-			265		
				<u>946,853</u>		<u>828,614</u>	
CREDITORS: amounts falling due within one year	12	(1,105,907)			(1,014,701)		
NET CURRENT LIABILITIES				<u>(159,054)</u>			<u>(186,087)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				696,634			709,111
CREDITORS: amounts falling due after more than one year	13			(229,081)			(258,057)
PROVISIONS FOR LIABILITIES AND CHARGES							
Deferred taxation	14			(13,009)			(11,575)
NET ASSETS				<u>£ 454,544</u>			<u>£ 439,479</u>
CAPITAL AND RESERVES							
Called up share capital	15			9,000			9,000
Revaluation reserve				178,194			178,194
Profit and loss account				267,350			252,285
SHAREHOLDERS' FUNDS - All Equity	16			<u>£ 454,544</u>			<u>£ 439,479</u>

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 21 May 2003 and signed on its behalf.


BS Parish
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 2003

	Note	Year ended 31 January 2003 £	Year ended 31 January 2002 £
Net cash flow from operating activities	17	127,941	81,169
Returns on investments and servicing of finance	18	(23,549)	(30,977)
Taxation		(6,198)	(8,878)
Capital expenditure and financial investment	18	(21,776)	(12,695)
CASH INFLOW BEFORE FINANCING		76,418	28,619
Financing	18	(168,153)	27,910
(DECREASE)/INCREASE IN CASH IN THE YEAR		£ (91,735)	£ 56,529

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 19)
For the Year ended 31 January 2003

	Year ended 31 January 2003 £	2002 £
(Decrease)/Increase in cash in the period	(91,735)	56,529
Cash outflow/(inflow) from decrease in debt and lease financing	168,153	(27,910)
MOVEMENT IN NET DEBT IN THE YEAR	76,418	28,619
Net debt at 1 February 2002	(668,929)	(697,548)
NET DEBT AT 31 JANUARY 2003	£ (592,511)	£ (668,929)

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

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

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 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land and buildings	-	2% straight line
Long-term leasehold land and buildings	-	over the remaining term of the lease
Plant and equipment	-	10% straight line
Motor vehicles	-	25% straight line
Office equipment	-	20 to 25% straight line

1.3 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.

1.4 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.

1.5 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 on the straight line basis over the lease term.

1.6 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.

1.7 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for timing differences arising on revaluations of fixed assets which are not intended to be sold and gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.8 Pensions

The company operates defined contribution pension arrangements and the pension charge represents the amounts payable by the company to the funds in respect of the Year.

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year ended 31 January 2003 £	Year ended 31 January 2002 £
Depreciation of tangible fixed assets:		
- owned by the company	59,249	64,480
Auditors' remuneration	3,000	3,500
Auditors' remuneration - non-audit	500	850
Operating lease rentals:		
- other operating leases	12,513	8,750
	<u> </u>	<u> </u>

3. STAFF COSTS

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

	Year ended 31 January 2003 £	Year ended 31 January 2002 £
Wages and salaries	597,168	555,530
Other pension costs	3,423	13,063
	<u>£ 600,591</u>	<u>£ 568,593</u>

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

	Year ended 31 January 2003 No.	Year ended 31 January 2002 No.
	40	40
	<u> </u>	<u> </u>

4. DIRECTORS' REMUNERATION

	Year ended 31 January 2003 £	Year ended 31 January 2002 £
Emoluments	£ 62,671	£ 60,458
	<u> </u>	<u> </u>
Company pension contributions to money purchase pension schemes	£ 3,423	£ 13,063
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 2 directors (2002 - 2) in respect of money purchase pension schemes.

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

5. INTEREST PAYABLE

	Year ended 31 January 2003	Year ended 31 January 2002
	£	£
On bank loans and overdrafts	21,271	29,972
On other loans	16,093	15,467
On finance leases and hire purchase contracts	585	1,239
	<u>£ 37,949</u>	<u>£ 46,678</u>

6. EXCEPTIONAL ITEMS

	Year ended 31 January 2003	Year ended 31 January 2002
	£	£
Exceptional item - credit on completion of company voluntary arrangement	-	384,617
Exceptional item - loss on disposal of tangible fixed assets	-	(55,968)
	<u>£ -</u>	<u>£ 328,649</u>

7. TAXATION

	Year ended 31 January 2003	Year ended 31 January 2002
	£	£
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax on profits of the year	387	6,250
Adjustments in respect of prior periods	87	131
Total current tax	<u>474</u>	<u>6,381</u>
Deferred tax		
Origination and reversal of timing differences	1,434	1,575
Total deferred tax (see note 14)	<u>1,434</u>	<u>1,575</u>
Tax on profit on ordinary activities	<u>£ 1,908</u>	<u>£ 7,956</u>

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (19%). The differences are explained below:

	Year ended 31 January 2003	Year ended 31 January 2002
	£	£
Profit on ordinary activities before tax	16,973	369,387
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 19% (2002 - 20%)	3,225	73,877
Effects of:		
Expenses not deductible for tax purposes	1,701	7
Capital allowances for period in excess of depreciation	(1,756)	-
Tax rate adjustment for period	(47)	(68)
Adjustment for deferred tax for prior periods	-	12,237
Adjustments to tax charge in respect of prior periods	87	131
Income not chargeable for tax purposes	(2,736)	(79,803)
Current tax charge for year (see note above)	£ 474	£ 6,381

There were no factors that may affect future tax charges.

8. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Total
	£	£	£	£	£
Cost or valuation					
At 1 February 2002	690,243	376,313	67,891	62,357	1,196,804
Additions	-	6,863	-	17,413	24,276
Disposals	-	-	(30,295)	-	(30,295)
At 31 January 2003	690,243	383,176	37,596	79,770	1,190,785
Depreciation					
At 1 February 2002	71,112	301,812	46,491	42,191	461,606
Charge for the year	11,366	26,634	9,236	12,013	59,249
On disposals	-	-	(25,758)	-	(25,758)
At 31 January 2003	82,478	328,446	29,969	54,204	495,097
Net book value					
At 31 January 2003	£ 607,765	£ 54,730	£ 7,627	£ 25,566	£ 695,688
At 31 January 2002	£ 619,131	£ 74,501	£ 21,400	£ 20,166	£ 735,198

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the Year ended 31 January 2003

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

	2003	2002
	£	£
Plant and machinery	-	15,818
Motor vehicles	-	15,933
	<u>£ -</u>	<u>£ 31,751</u>

Included in land and buildings is freehold land at cost £65,500 which is not depreciated.

At 31 January 2003, included within the net book value of land and buildings is £315,931 relating to freehold land and buildings, £291,834 relating to long term leasehold land and buildings and £nil relating to short term leasehold land and buildings.

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 lower amount of £350,000 in view 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. Under the historical cost accounting rules the net book value of the revalued land and buildings at 31 January 2003 would be £151,597 and under the same rules depreciation charged on these assets would have been £2,660: actual depreciation charged was £6,106.

9. FIXED ASSET INVESTMENTS

	Other invest- ments £	Total £
Cost		
At 1 February 2002 and 31 January 2003	£ 160,000	£ 160,000

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 £14,400.

10. STOCKS

	2003	2002
	£	£
Raw materials	63,053	57,756
Work in progress	3,040	6,400
Finished goods and goods for resale	365,459	304,500
	<u>£ 431,552</u>	<u>£ 368,656</u>

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

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

11. DEBTORS

	2003	2002
	£	£
Due within one year		
Trade debtors	468,145	434,573
Other debtors	6,974	10,005
Prepayments and accrued income	40,182	15,115
	<u>£ 515,301</u>	<u>£ 459,693</u>

12. CREDITORS:
Amounts falling due within one year

	2003	2002
	£	£
Bank loans and overdrafts and due to factors	363,430	405,851
Net obligations under finance leases and hire purchase contracts	-	5,286
Trade creditors	278,931	277,227
Corporation tax	387	6,111
Social security and other taxes	94,684	52,186
Other creditors	325,700	230,124
Accruals and deferred income	42,775	37,916
	<u>£ 1,105,907</u>	<u>£ 1,014,701</u>

The company's indebtedness to the bank, which comprises overdraft of £177,131 (2002 £85,661) and loan of £132,921 (2002 £150,557) is secured by a fixed and floating charge over all current and future assets of the company and by legal mortgages over the company's freehold land and buildings. The bank loan is repayable in seven years. The interest rate is 2.5% over National Westminster Bank base rate.

The balance with factors is £167,459 (2002 £302,690) and is secured by a fixed and floating charge over all the assets of the company.

Other creditors include an amount due to Positive Manufacturing Ltd of £325,700 (2002 £157,751): as noted below the directors are interested in transactions with this company by virtue of their shareholdings in it.

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

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

	2003 £	2002 £
Bank loan and pension scheme loan	£ 229,081	£ 258,057

Included within the above are amounts falling due as follows:

	2003 £	2002 £
Between one and two years		
Bank loans	20,065	18,800
Between two and five years		
Bank loans	181,635	190,257
Over five years		
Bank loans	27,381	49,000

Creditors include amounts not wholly repayable within 5 years as follows:

	2003 £	2002 £
Repayable by instalments	£ 27,381	£ 49,000

The pension scheme loan of £115,000 (2002 £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.

14. DEFERRED TAXATION

	2003 £	2002 £
At 1 February 2002	11,575	10,000
Charge for the year	1,434	1,575
At 31 January 2003	£ 13,009	£ 11,575

The deferred tax provision is made up as follows:

	2003 £	2002 £
Accelerated capital allowances	13,009	11,575
	£ 13,009	£ 11,575

PARKES PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

15. SHARE CAPITAL

	2003 £	2002 £
Authorised		
10,000 Ordinary shares of £1 each	£ 10,000	£ 10,000
Allotted, called up and fully paid		
9,000 Ordinary shares of £1 each	£ 9,000	£ 9,000

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Profit for the year	15,065	361,431
	<u>15,065</u>	<u>361,431</u>
Opening shareholders' funds	439,479	78,048
Closing shareholders' funds	£ 454,544	£ 439,479

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	Year ended 31 January 2003 £	Year ended 31 January 2002 £
Operating profit	40,522	71,715
Depreciation of tangible fixed assets	59,249	64,480
Loss on disposal of tangible fixed assets	2,037	-
(Increase)/decrease in stocks	(62,896)	108,117
(Increase)/decrease in debtors	(55,608)	105,780
Increase/(decrease) in creditors	144,637	(268,923)
NET CASH INFLOW FROM OPERATIONS	<u>£ 127,941</u>	<u>£ 81,169</u>

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

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

	Year ended 31 January 2003 £	Year ended 31 January 2002 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	-	1,301
Interest paid	(37,364)	(45,439)
Hire purchase interest	(585)	(1,239)
Income from investments	14,400	14,400
	<u> </u>	<u> </u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	£ (23,549)	£ (30,977)
	<u> </u>	<u> </u>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(24,276)	(12,695)
Sale of tangible fixed assets	2,500	-
	<u> </u>	<u> </u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	£ (21,776)	£ (12,695)
	<u> </u>	<u> </u>
FINANCING		
New secured loans	-	39,068
Repayment of loans	(162,867)	-
Principal payment under finance lease	(5,286)	(11,158)
	<u> </u>	<u> </u>
NET CASH (OUTFLOW)/INFLOW FROM FINANCING	£ (168,153)	£ 27,910
	<u> </u>	<u> </u>

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

19. ANALYSIS OF CHANGES IN NET DEBT

	1 February 2002 £	Cash flow £	Other non-cash changes £	31 January 2003 £
Cash at bank and in hand:	265	(265)	-	-
Bank overdraft	(85,661)	(91,470)	-	(177,131)
	<u>(85,396)</u>	<u>(91,735)</u>	<u>-</u>	<u>(177,131)</u>
DEBT :				
Finance leases	(5,286)	5,286	-	-
Debts due within one year	(320,190)	162,867	(28,976)	(186,299)
Debts falling due after more than one year	(258,057)	-	28,976	(229,081)
	<u>(668,929)</u>	<u>76,418</u>	<u>-</u>	<u>(592,511)</u>
NET DEBT	<u>£ (668,929)</u>	<u>£ 76,418</u>	<u>£ -</u>	<u>£ (592,511)</u>

20. PENSION COMMITMENTS

The company operates defined contributions pension arrangements. The assets of these are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £3,423 (2002 £13,063). Contributions totalling £nil (2002, £nil) were payable to the fund at the balance sheet date.

21. OPERATING LEASE COMMITMENTS

At 31 January 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2003 £	2002 £
Expiry date:		
After more than 5 years	<u>13,245</u>	<u>8,750</u>

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year ended 31 January 2003

22. TRANSACTIONS WITH DIRECTORS

There were no amounts due by the directors to the company at the beginning or end of the year, however during the year director's loan accounts in respect of DE Berwick and BS Parish became overdrawn. The maximum amount overdrawn for each of them was £4,475. Both amounts were waived and written off by the company before the end of the year. No interest was charged on the overdrawn amounts.

23. 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 amounted to £691,203, and purchases from Positive Manufacturing amounted to £118,908. Additionally the company recharged certain overhead expenses and made management charges to Positive Manufacturing Limited during the year of £85,000 in total. The balance outstanding at the end of the year between the companies was £325,700 due by Parkes Products Limited and this is included in other creditors.

24. CONTROLLING PARTY

The company is under the control of the directors.