

EUROBY LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 MARCH 2003**

COMPANY NUMBER:3260621



EUROBY LIMITED

COMPANY INFORMATION

DIRECTOR B P Ley

SECRETARY D A Ley

COMPANY NUMBER 3260621

REGISTERED OFFICE Chapel House
Westmead Drive
Westlea
Swindon
Wiltshire
SN5 7UN

AUDITORS Bentley Jennison
Chartered Accountants & Registered Auditors
Chapel House
Westmead Drive
Westlea
Swindon
Wiltshire
SN5 7UN

EUROBY LIMITED

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EUROBY LIMITED

DIRECTOR'S REPORT For the year ended 31 March 2003

The director presents his report and the financial statements for the year ended 31 March 2003.

STATEMENT OF 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 affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is 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 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.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company is the supply of equipment and the provision of consultancy services for the recycling of waste.

The director is satisfied with the results for the year and the financial position of the company. The company is expecting to sustain its present level of activity for the foreseeable future.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £683,603 (2002 - £315,470) .

The director recommends the payment of a dividend of £22,000 (2001; £20,000)

DIRECTOR

The director who served during the year and his beneficial interest in the company's issued share capital was:

	Ordinary shares of £1 each	
	<u>2003</u>	<u>2002</u>
B P Ley including family interests	100	100

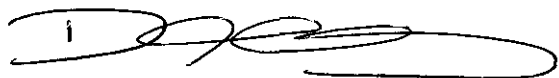
EUROBY LIMITED

DIRECTOR'S REPORT
For the year ended 31 March 2003

AUDITORS

The auditors, Bentley Jennison, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on *3/9/03* and signed on its behalf.

A handwritten signature in black ink, appearing to be 'D A Ley', written over a horizontal line.

D A Ley
Secretary

EUROBY LIMITED

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

We have examined the abbreviated accounts of Euroby Limited for the year ended 31 March 2003 set out on pages 4 to 13, together with the financial statements of the company for the year ended 31 March 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, 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 those matters we are required to state to them in an auditor's 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

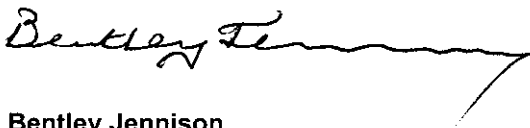
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of 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 13 are properly prepared in accordance with those provisions.



Bentley Jennison

Chartered Accountants
Registered Auditors

3/9/03

Chapel House
Westmead Drive
Westlea
Swindon
Wiltshire
SN5 7UN

EUROBY LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT**
For the year ended 31 March 2003

	Note	2003 £	2002 £
GROSS PROFIT		1,401,978	921,844
Administrative expenses		<u>(541,249)</u>	<u>(511,644)</u>
OPERATING PROFIT	2	860,729	410,200
Interest receivable	5	31,009	11,695
Interest payable	6	<u>(61)</u>	<u>(543)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		891,677	421,352
TAX ON PROFIT ON ORDINARY ACTIVITIES	7	<u>(208,074)</u>	<u>(105,882)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		683,603	315,470
DIVIDENDS - On equity shares	8	<u>(22,000)</u>	<u>(20,000)</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR	14	<u>661,603</u>	<u>295,470</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 7 to 13 form part of these financial statements.

EUROBY LIMITED

ABBREVIATED BALANCE SHEET
As at 31 March 2003

		2003		2002	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	9		404,126		74,672
CURRENT ASSETS					
Stocks	10	42,499		-	
Debtors	11	1,106,956		1,850,495	
Cash at bank		1,365,491		406,419	
		<u>2,514,946</u>		<u>2,256,914</u>	
CREDITORS: amounts falling due within one year	12	<u>(1,659,034)</u>		<u>(1,733,151)</u>	
NET CURRENT ASSETS			<u>855,912</u>		<u>523,763</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>1,260,038</u></u>		<u><u>598,435</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		100		100
Profit and loss account	14		1,259,938		598,335
SHAREHOLDERS' FUNDS - All Equity	15		<u><u>1,260,038</u></u>		<u><u>598,435</u></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 3/9/03 and signed on its behalf.



B P Ley
Director

The notes on pages 7 to 13 form part of these financial statements.

EUROBY LIMITED**ABBREVIATED CASH FLOW STATEMENT**
For the year ended 31 March 2003

	Note	2003 £	2002 £
Net cash flow from operating activities	16	1,467,297	177,946
Returns on investments and servicing of finance	17	30,948	11,152
Taxation		(125,000)	(71,070)
Capital expenditure and financial investment	17	(392,173)	(118,874)
Equity dividends paid		(22,000)	(20,000)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		959,072	(20,846)
Financing	17	-	(1,250)
INCREASE/(DECREASE) IN CASH IN THE YEAR		959,072	(22,096)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 18)
For the year ended 31 March 2003

	2003 £	2002 £
Increase/(Decrease) in cash in the year	959,072	(22,096)
Cash outflow from decrease in debt and lease financing	-	1,250
MOVEMENT IN NET DEBT IN THE YEAR	959,072	(20,846)
Net funds at 1 April 2002	406,419	427,265
NET FUNDS AT 31 MARCH 2003	1,365,491	406,419

The notes on pages 7 to 13 form part of these financial statements.

EUROBY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 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 and are prepared in accordance with applicable accounting standards.

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:

Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	25% straight line

On 1 April 2002 the director reviewed the useful economic lives and residual values of the fixtures and fittings. He decided that the depreciation rate should be reduced from 50% to 25%. This has resulted in a decrease in the depreciation charge of £53,813.

1.4 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.

1.5 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.

1.6 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 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.

1.7 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 profit.

EUROBY LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2003

2. OPERATING PROFIT

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

	2003	2002
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	53,813	83,426
Auditors' remuneration	5,150	5,000
Operating lease rentals:		
- plant and machinery	21,686	14,048
- other operating leases	14,763	10,016
Difference on foreign exchange	45,297	(52,918)
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2003	2002
	£	£
Wages and salaries	217,611	290,802
Social security costs	21,028	30,680
	<u> </u>	<u> </u>
	238,639	321,482
	<u> </u>	<u> </u>

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

	2003	2002
	No.	No.
Administrative	6	6
	<u> </u>	<u> </u>

4. DIRECTOR'S REMUNERATION

	2003	2002
	£	£
Emoluments	36,363	12,600
	<u> </u>	<u> </u>

5. INTEREST RECEIVABLE

	2003	2002
	£	£
Bank interest receivable	31,009	11,695
	<u> </u>	<u> </u>

EUROBY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

6. INTEREST PAYABLE

	2003 £	2002 £
On bank loans and overdrafts	61	-
Other interest payable	-	543
	<u>61</u>	<u>543</u>

7. TAXATION

	2003 £	2002 £
UK corporation tax on profits of the year	<u>208,074</u>	<u>105,882</u>

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (27.3%). The differences are explained below:

	2003 £	2002 £
Profit on ordinary activities before tax	<u>891,677</u>	<u>421,352</u>
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 27.3% (2002 - 24%)	<u>243,428</u>	<u>101,124</u>
Effects of:		
Expenses not deductible for tax purposes	1,948	831
Capital allowances for period in excess of depreciation	(37,302)	3,927
Current tax charge for year (see note above)	<u>208,074</u>	<u>105,882</u>

There were no factors that may affect future tax charges.

8. DIVIDENDS

	2003 £	2002 £
On equity shares		
Total dividends paid	<u>22,000</u>	<u>20,000</u>

EUROBY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

9. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures and fittings £	Total £
Cost			
At 1 April 2002	26,500	213,873	240,373
Additions	-	398,173	398,173
Disposals	(26,500)	-	(26,500)
At 31 March 2003	-	612,046	612,046
Depreciation			
At 1 April 2002	11,594	154,107	165,701
Charge for the year	-	53,813	53,813
On disposals	(11,594)	-	(11,594)
At 31 March 2003	-	207,920	207,920
Net book value			
At 31 March 2003	-	404,126	404,126
At 31 March 2002	14,906	59,766	74,672

10. STOCKS

	2003 £	2002 £
Work in progress	42,499	-

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

11. DEBTORS

	2003 £	2002 £
Due within one year		
Trade debtors	551,815	1,571,827
Other debtors	319,199	226,425
Prepayments and accrued income	235,942	52,243
	1,106,956	1,850,495

Included within other debtors due within one year is a loan to Mr B Ley, the director, amounting to £263,310 (2002 - £223,560). The maximum amount outstanding during the year was £263,310.

EUROBY LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2003

12. CREDITORS:**Amounts falling due within one year**

	2003 £	2002 £
Trade creditors	1,021,815	736,191
Corporation tax	244,846	105,882
Social security and other taxes	187,498	181,979
Other creditors	15,126	14,744
Accruals and deferred income	189,749	694,355
	<u>1,659,034</u>	<u>1,733,151</u>

13. SHARE CAPITAL

	2003 £	2002 £
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

14. RESERVES

Profit and loss account	£
At 1 April 2002	598,335
Profit retained for the year	661,603
	<u>1,259,938</u>
At 31 March 2003	

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Profit for the year	683,603	315,470
Dividends	(22,000)	(20,000)
	<u>661,603</u>	<u>295,470</u>
Opening shareholders' funds	598,435	302,965
Closing shareholders' funds	<u>1,260,038</u>	<u>598,435</u>

EUROBY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2003 £	2002 £
Operating profit	860,729	410,200
Depreciation of tangible fixed assets	53,813	83,426
Loss on disposal of tangible fixed assets	8,906	-
(Increase)/decrease in stocks	(42,499)	5,663
Decrease/(increase) in debtors	799,428	(1,163,142)
(Decrease)/increase in creditors	(213,080)	841,799
NET CASH INFLOW FROM OPERATIONS	1,467,297	177,946

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

	2003 £	2002 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	31,009	11,695
Interest paid	(61)	(543)
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	30,948	11,152

	2003 £	2002 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(398,173)	(118,874)
Sale of tangible fixed assets	6,000	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(392,173)	(118,874)

	2003 £	2002 £
FINANCING		
Principal payment under finance lease	-	(1,250)

EUROBY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

18. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2002 £	Cash flow £	Other non-cash changes £	31 March 2003 £
Cash at bank and in hand:	406,419	959,072	-	1,365,491
NET FUNDS	<u>406,419</u>	<u>959,072</u>	<u>-</u>	<u>1,365,491</u>

19. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2003 £	2002 £	2003 £	2002 £
Expiry date:				
Between 2 and 5 years	<u>18,000</u>	<u>18,000</u>	<u>20,000</u>	<u>20,000</u>

20. CONTROLLING PARTY

The company is controlled by the director who beneficially owns 100% of the called up share capital.