

2001/07/01

Flex Connectors Limited

Report and Unaudited Financial Statements

Year Ended

31 July 2001

2001/07/01



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BDO Stoy Hayward
Chartered Accountants

Flex Connectors Limited

Annual report and financial statements for the year ended 31 July 2001

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Directors

H J Gearing
S D Garton

Secretary and registered office

A N P Jackson, 58 Pleasant Street, West Bromwich, West Midlands, B70 7DP

Company number

3658310

Accountants

BDO Stoy Hayward, Beneficial Building, 28 Paradise Circus Queensway, Birmingham, B1 2BJ

Flex Connectors Limited

Report of the directors for the year ended 31 July 2001

The directors present their report together with the financial statements for the year ended 31 July 2001.

Results and dividends

The profit and loss account is set out on page 4 and shows the loss for the year.

The directors do not recommend the payment of a dividend.

Principal activities, review of business and future developments

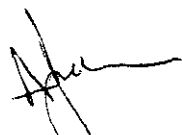
The company's principal activity is the design and manufacture of commercial lighting fittings.

Directors

The directors of the company during the year and their interests in the ordinary share capital of the company were:

	Ordinary shares of £1 each	
	Number 31 July 2001	Number 31 July 2000
H J Gearing	16,000	16,000
S D Garton	14,000	14,000

On order of the board



A N P Jackson

Secretary

Flex Connectors Limited

Accountants' Report

Accountants' report on the unaudited accounts to the directors of Flex Connectors Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 July 2001, set out on pages 4 to 11, and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

BDO STOY HAYWARD
Chartered Accountants
Birmingham

Flex Connectors Limited**Profit and loss account for the year ended 31 July 2001**

	Note	2001 £	2000 £
Turnover	2	511,069	74,731
Cost of sales		282,784	51,750
		<u> </u>	<u> </u>
Gross profit		228,285	22,981
Administrative expenses		321,937	231,030
		<u> </u>	<u> </u>
Operating loss	3	(93,652)	(208,049)
Interest payable and similar charges	6	(2,820)	(2,670)
		<u> </u>	<u> </u>
Loss on ordinary activities before and after taxation		(96,472)	(210,719)
Accumulated loss brought forward		(291,039)	(80,320)
		<u> </u>	<u> </u>
Accumulated loss carried forward		(387,511)	(291,039)
		<u> </u>	<u> </u>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

There are no movements in shareholders' funds in the current and prior year apart from the loss for the year.

The notes on pages 6 to 11 form part of these financial statements.

Flex Connectors Limited

Balance sheet at 31 July 2001

	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	7		102,212		82,921
Current assets					
Stocks	8	31,636		17,236	
Debtors	9	167,379		40,880	
Cash at bank and in hand		76,773		-	
		<u>275,788</u>		<u>58,116</u>	
Creditors: amounts falling due within one year	10	<u>358,048</u>		<u>56,249</u>	
Net current (liabilities)/assets			<u>(82,260)</u>		<u>1,867</u>
Total assets less current liabilities			19,952		84,788
Creditors: amounts falling due after more than one year	11		<u>325,463</u>		<u>293,827</u>
			<u>(305,511)</u>		<u>(209,039)</u>
Capital and reserves					
Called up share capital	12		82,000		82,000
Profit and loss account			(387,511)		(291,039)
Equity shareholders' funds			<u>(305,511)</u>		<u>(209,039)</u>

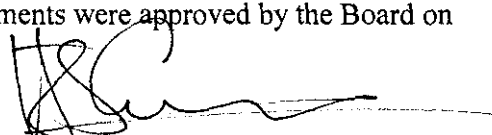
The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 July 2001 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board on

H J Gearing
Director



The notes on pages 6 to 11 form part of these financial statements.

Flex Connectors Limited

Notes forming part of the financial statements for the year ended 31 July 2001

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Going concern

Berck Limited, an associated company, has confirmed its intention to provide such support as Flex Connectors Limited requires for its continued operations for a period of not less than one year from the date the financial statements were approved.

Based on this factor the financial statements have been prepared on a going concern basis.

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Office Equipment	- 25% straight line
Tooling	- 10% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Operating leases

Annual operating lease rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pensions

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Flex Connectors Limited**Notes forming part of the financial statements for the year ended 31 July 2001 (Continued)****2 Turnover**

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating loss

This is arrived at after charging:

	2001 £	2000 £
Depreciation of tangible fixed assets	15,020	10,967
Hire of other assets - operating leases	27,252	17,340
Auditors' remuneration - audit services	2,500	2,500
	<u> </u>	<u> </u>

4 Employees

Staff costs (including directors) consist of:

	2001 £	2000 £
Wages and salaries	187,557	94,583
Social security costs	19,195	9,591
Other pension costs	850	-
	<u> </u>	<u> </u>
	207,602	104,174
	<u> </u>	<u> </u>

The average number of employees (including directors) during the year was 6 (2000 - 4).

5 Directors' remuneration

	2001 £	2000 £
Directors' emoluments	69,333	35,333
	<u> </u>	<u> </u>

6 Interest payable and similar charges

	2001 £	2000 £
Bank interest payable	2,820	2,670
	<u> </u>	<u> </u>

Flex Connectors Limited

Notes forming part of the financial statements for the year ended 31 July 2001 (*Continued*)

7 Tangible fixed assets

	Office equipment £	Tooling £	Total £
<i>Cost</i>			
At 1 August 2000	5,645	95,570	101,215
Additions	4,151	30,160	34,311
At 31 July 2001	9,796	125,730	135,526
<i>Depreciation</i>			
At 1 August 2000	1,884	16,410	18,294
Provided for the year	2,447	12,573	15,020
At 31 July 2001	4,331	28,983	33,314
<i>Net book value</i>			
At 31 July 2001	5,465	96,747	102,212
At 31 July 2000	3,761	79,160	82,921

8 Stocks

	2001 £	2000 £
Finished goods	31,636	17,236

Flex Connectors Limited

Notes forming part of the financial statements for the year ended 31 July 2001 (Continued)

9 Debtors

	2001 £	2000 £
Trade debtors	133,452	26,435
Other debtors	25,489	7,637
Prepayments and accrued income	8,438	6,808
	<u>167,379</u>	<u>40,880</u>

All amounts shown under debtors fall due for payment within one year.

10 Creditors: amounts falling due within one year

	2001 £	2000 £
Bank overdraft	-	10,274
Trade creditors	334,331	6,711
Taxation and social security	7,030	12,264
Accruals and deferred income	16,687	27,000
	<u>358,048</u>	<u>56,249</u>

11 Creditors: amounts falling due after more than one year

	2001 £	2000 £
Amounts owed to associated undertakings	321,463	289,827
Director's loan account	4,000	4,000
	<u>325,463</u>	<u>293,827</u>

12 Share capital

	2001 £	2000 £	Authorised 2001 £	Allotted, called up and fully paid 2000 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	100,000	100,000	82,000	82,000
	<u>100,000</u>	<u>100,000</u>	<u>82,000</u>	<u>82,000</u>

Flex Connectors Limited

Notes forming part of the financial statements for the year ended 31 July 2001 (Continued)

13 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Loss for the year	(96,472)	(210,719)
Opening shareholders' funds	(209,039)	1,680
	<u> </u>	<u> </u>
Closing shareholders' funds	(305,511)	(209,039)
	<u> </u>	<u> </u>

14 Commitments under operating leases

As at 31 July 2001, the company had annual commitments under non-cancellable operating leases as set out below:

	2001		2000	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Within one year	-	-	-	4,340
In two to five years	-	-	13,000	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Flex Connectors Limited

Notes forming part of the financial statements for the year ended 31 July 2001 (Continued)

15 Related party disclosures

Related party transactions and balances

	Loan from related party	Purchases from related party	Amounts owed by related party	Amounts owed to related party
	£	£	£	£
Related party				
Berck Limited	234,900	86,563	-	321,463
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Berck Limited owns 41.5% of the issued share capital.

Berck Limited has also given security on the on a bank overdraft in the form of a guarantee of £35,000 dated 17 June 1999.