REGISTERED NUMBER: 3673473 (England and Wales)

PRIOR PRODUCTS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2003

Murphy Salisbury
Chartered Accountants
Registered Auditors
15 Warwick Road
Stratford-Upon-Avon
Warwickshire
CV37 6YW

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PRIOR PRODUCTS LIMITED

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PRIOR PRODUCTS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2003

DIRECTORS:	A E Hammond Mrs A Hammond N Hammond
SECRETARY:	N Hammond
REGISTERED OFFICE:	15 Warwick Road Stratford Upon Avon Warwickshire CV37 6YW
REGISTERED NUMBER:	3673473 (England and Wales)
AUDITORS:	Murphy Salisbury Chartered Accountants Registered Auditors 15 Warwick Road Stratford-Upon-Avon Warwickshire CV37 6YW

PRIOR PRODUCTS LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO PRIOR PRODUCTS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages three to six, together with the full 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 financial statements 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 financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements 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 we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

Murphy Salisbury
Chartered Accountants
Registered Auditors
15 Warwick Road
Stratford-Upon-Avon
Warwickshire
CV37 6YW

6 August 2003

PRIOR PRODUCTS LIMITED

ABBREVIATED BALANCE SHEET
31 JANUARY 2003

	Notes	2003 £	2003 £	2002 £	2002 £
FIXED ASSETS:					
Intangible assets	2		45,000		52,500
Tangible assets	3		110,381		114,552
Investments	4		2		2
			155,383		167,054
CURRENT ASSETS:					
Stocks		42,623		39,470	
Debtors		39,894		25,867	
Cash at bank and in hand		221,948		234,503	
		304,465		299,840	
CREDITORS: Amounts falling due within one year	5	219,255		289,557	
NET CURRENT ASSETS:			85,210		10,283
TOTAL ASSETS LESS CURRENT LIABILITIES:			240,593		177,337
CREDITORS: Amounts falling due after more than one year	5		-		2,454
			£240,593		£174,883
CAPITAL AND RESERVES:					
Called up share capital	6		1,998		1,998
Profit and loss account			238,595		172,885
SHAREHOLDERS' FUNDS:			£240,593		£174,883

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

A E Hammond - Director

Mrs A Hammond - Director

Approved by the Board on 6 August 2003

The notes form part of these financial statements

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2003

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 1999, is being written off evenly over its estimated useful life of ten years.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks
Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions
The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. INTANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 February 2002 and 31 January 2003	75,000
AMORTISATION:	
At 1 February 2002	22,500
Charge for year	7,500
At 31 January 2003	30,000
NET BOOK VALUE:	
At 31 January 2003	45,000
At 31 January 2002	52,500

3. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 February 2002	175,257
Additions	23,911
Disposals	(6,500)
At 31 January 2003	192,668
DEPRECIATION:	
At 1 February 2002	60,705
Charge for year	25,340
Eliminated on disposals	(3,758)
At 31 January 2003	82,287
NET BOOK VALUE:	
At 31 January 2003	110,381
At 31 January 2002	114,552

4. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 February 2002 and 31 January 2003	2
NET BOOK VALUE:	
At 31 January 2003	2
At 31 January 2002	2

4. **FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Prior Windows, Doors and Conservatories Limited
Nature of business: window manufacture and installation.

Class of shares:	% holding
Ordinary	100.00

Prior Windows, Doors and Conservatories Limited is a dormant company. There are no plans for it to trade in the foreseeable future.

5. **CREDITORS**

The following secured debts are included within creditors:

	2003	2002
	£	£
Hire purchase contracts	2,454	16,528

6. **CALLED UP SHARE CAPITAL**

Authorised:

Number:	Class:	Nominal value:	2003	2002
			£	£
10,000	Ordinary	£1	10,000	10,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2003	2002
			£	£
1,998	Ordinary	£1	1,998	1,998

7. **RELATED PARTY DISCLOSURES**

As of 1 May 2000, the company occupied premises owned by its pension scheme under a fifteen year lease. The rent for the property is £20,000 per annum and the annual commitment is reflected in note 10.

Mr A.E Hammond, Mrs A.Hammond and Mr N.Hammond are also directors of Prior Windows, Doors and Conservatories Limited, a non-trading subsidiary of Prior Products Limited.

8. **CONTROLLING INTERESTS**

The company was controlled throughout the period by its Directors, Mrs A Hammond, Mr N Hammond and Mr AEJ Hammond, by virtue of the fact that between them they owned all of the company's issued share capital.