

REGISTRAR

COMPANY REGISTRATION NUMBER 35630 ✓

**WEBSTER & HORSFALL LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR**  
**31 DECEMBER 2003**

**MGI WENHAM MAJOR**

Chartered Accountants & Registered Auditors  
89 Cornwall Street  
Birmingham  
B3 3BY



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COMPANIES HOUSE

20/07/04

**WEBSTER & HORSFALL LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

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# WEBSTER & HORSFALL LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2003

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2003.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of manufacture of wire from steel rods and stockists of machinery, strip metal and additional wire products.

The results for the year and the financial position at the end of the year were considered satisfactory by the directors.

### RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2003 £	2002 £
Proposed dividends on ordinary shares	35,019	—
Dividends paid on ordinary shares	23,346	93,384
	<u>58,365</u>	<u>93,384</u>

### THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests, including family holdings, in the shares of the company were as follows:

		At 31 December 2003	At 1 January 2003
Mr PJC Robinson	Ordinary "A"	8,000	8,000
	Ordinary "B"	17,875	17,875
Mr CAC Horsfall	Ordinary "B"	2,291	2,291
		—	—
Mr GHGC Horsfall	Ordinary "A"	12,740	12,740
	Ordinary "B"	2,272	2,272
Col JHC Horsfall	Ordinary "A"	21,220	21,220
	Ordinary "B"	7,200	7,200
Mr JMC Horsfall	Ordinary "A"	—	—
	Ordinary "B"	4,612	4,612
Mr CALC Horsfall	Ordinary "A"	160	160
	Ordinary "B"	6,525	6,525
Mr BP Knox-Peebles	Ordinary "A"	12,040	12,040
	Ordinary "B"	18,060	18,060
Mr CW Bragg	Ordinary "A"	500	500
	Ordinary "B"	3,750	3,750
Mr WI Lawrie	Ordinary "A"	1,370	1,370
	Ordinary "B"	5,500	5,500

Mr CAC Horsfall is a joint trustee of a non-beneficial holding of 21,340 ordinary "A" shares (2002: 21,340).

Mr GHGC Horsfall is a joint trustee of a non-beneficial holding of 11,100 ordinary "A" shares (2002: 11,100).

# WEBSTER & HORSFALL LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2003

### RETIREMENT OF DIRECTORS

The following directors are to retire from the board in accordance with the Articles of Association and, being eligible, offer themselves for re-appointment:

Mr BP Knox-Peebles

Mr CW Bragg

Mr WI Lawrie

### FIXED ASSETS

The directors are of the opinion that the market value of the properties at the year end would significantly exceed the net book values included in the financial statements, but they are unable to quantify this excess in the absence of a professional valuation, the costs of which are not considered justifiable in view of the company's intention to retain its existing properties for use in its business for the foreseeable future.

### 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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 9 to 10, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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. The directors 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.

### CLOSE COMPANY PROVISIONS

In the opinion of the directors, the company is a close company within the meaning of S.414 Income and Corporation Taxes Act, 1988 (as amended).

### AUDITORS

A resolution to re-appoint MGI Wenham Major as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
Hay Mills  
Birmingham  
B25 8DW

Signed on behalf of the directors



PJC Robinson  
Director

Approved by the directors on 18 May 2004

**WEBSTER & HORSFALL LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE COMPANY**  
**PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 4 to 16, together with the financial statements of the company for the year ended 31 December 2003 prepared under Section 226 of the Companies Act 1985.

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

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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 of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and 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 section 246A(3) of the Act, and the abbreviated accounts on pages 4 to 16

89 Cornwall Street  
Birmingham  
B3 3BY

18 May 2004

*MGI Wenham Major*

MGI WENHAM MAJOR  
Chartered Accountants  
& Registered Auditors

**WEBSTER & HORSFALL LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2003**

	Note	2003 £	2002 £
<b>GROSS PROFIT</b>		1,523,175	1,577,511
Distribution costs		6,224	4,744
Administrative expenses		1,726,086	1,743,181
<b>OPERATING LOSS</b>	2	(209,135)	(170,414)
W & H Canada income	5	46,946	—
Income from participating interests	6	—	28,818
Reddiwire loan write off	7	261,008	—
Interest receivable		1,047	11,379
Loss on impairment of investments	8	(5,000)	—
Interest payable	9	(11)	(814)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		94,855	(131,031)
Tax on profit/(loss) on ordinary activities	10	—	(9,653)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>		94,855	(121,378)
Dividends	12	58,365	93,384
<b>RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		36,490	(214,762)
Balance brought forward		1,826,904	2,041,666
Balance carried forward		<u>1,863,394</u>	<u>1,826,904</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

**WEBSTER & HORSFALL LIMITED**  
**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**  
**YEAR ENDED 31 DECEMBER 2003**

	2003	2002
	£	£
Profit/(Loss) for the financial year	94,855	(121,378)
Dividends	<u>(58,365)</u>	<u>(93,384)</u>
	36,490	(214,762)
Opening shareholders' equity funds	<u>2,397,253</u>	<u>2,612,015</u>
Closing shareholders' equity funds	<u>2,433,743</u>	<u>2,397,253</u>

## WEBSTER &amp; HORSFALL LIMITED

## BALANCE SHEET

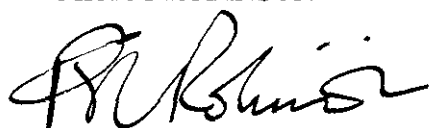
31 DECEMBER 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible assets	13	142,184	178,137
Investments	14	13,341	18,341
		<u>155,525</u>	<u>196,478</u>
<b>CURRENT ASSETS</b>			
Stocks	15	1,272,353	1,307,293
Debtors	16	2,015,368	2,506,993
Cash at bank and in hand		8,653	216,641
		<u>3,296,374</u>	<u>4,030,927</u>
<b>CREDITORS: Amounts falling due within one year</b>	17	<u>1,018,156</u>	<u>1,830,152</u>
<b>NET CURRENT ASSETS</b>		<u>2,278,218</u>	<u>2,200,775</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,433,743</u>	<u>2,397,253</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	21	233,461	233,461
Other reserves	22	336,888	336,888
Profit and Loss Account		<u>1,863,394</u>	<u>1,826,904</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>2,433,743</u>	<u>2,397,253</u>

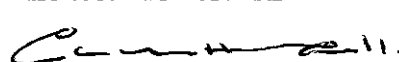
These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 18 May 2004 and are signed on their behalf by:

MR PJC ROBINSON



MR CAC HORSFALL





## WEBSTER &amp; HORSFALL LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2003

	2003	2002
	£	£
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>(235,288)</b>	<b>(288,263)</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Income from group undertakings	46,946	—
Income from participating interests	—	28,818
Interest received	1,047	11,379
Interest element of hire purchase	(11)	(814)
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>47,982</b>	<b>39,383</b>
<b>TAXATION</b>	<b>9,654</b>	<b>(9,655)</b>
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets	(17,009)	(143,757)
Receipts from sale of fixed assets	5,200	17,900
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	<b>(11,809)</b>	<b>(125,857)</b>
<b>ACQUISITIONS AND DISPOSALS</b>		
Acquisition of shares in group undertakings	—	(1)
<b>NET CASH OUTFLOW FROM ACQUISITIONS AND DISPOSALS</b>	<b>—</b>	<b>(1)</b>
<b>EQUITY DIVIDENDS PAID</b>	<b>(23,346)</b>	<b>(163,422)</b>
<b>CASH OUTFLOW BEFORE FINANCING</b>	<b>(212,807)</b>	<b>(547,815)</b>
<b>FINANCING</b>		
Capital element of hire purchase	4,819	1,391
<b>NET CASH INFLOW FROM FINANCING</b>	<b>4,819</b>	<b>1,391</b>
<b>DECREASE IN CASH</b>	<b>(207,988)</b>	<b>(546,424)</b>

**WEBSTER & HORSFALL LIMITED****CASH FLOW STATEMENT** *(continued)***YEAR ENDED 31 DECEMBER 2003****RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	2003	2002
	£	£
Operating loss	(209,135)	(170,414)
Depreciation	52,962	82,027
Profit on disposal of fixed assets	(5,200)	(13,217)
Decrease/(increase) in stocks	34,940	(563,839)
Decrease/(increase) in debtors	481,971	(794,458)
(Decrease)/increase in creditors	(851,834)	1,271,721
Adjustment to creditors for non-cash items:		
Reddiwire loan write off	261,008	-
Transfer of fixed assets from Reddiwire Limited	-	(100,083)
<b>Net cash outflow from operating activities</b>	<b>(235,288)</b>	<b>(288,263)</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	2003	2002
	£	£
Decrease in cash in the period	(207,988)	(546,424)
Cash outflow in respect of hire purchase	(4,819)	(1,391)
	(212,807)	(547,743)
<b>Change in net funds</b>	<b>(212,807)</b>	<b>(547,743)</b>
<b>Net funds at 1 January 2003</b>	<b>215,250</b>	<b>763,065</b>
<b>Net funds at 31 December 2003</b>	<b>2,443</b>	<b>215,250</b>

**ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 Jan 2003	Cash flows	At 31 Dec 2003
	£	£	£
Net cash:			
Cash in hand and at bank	216,641	(207,988)	8,653
Debt:			
Hire purchase agreements	(1,391)	(4,819)	(6,210)
<b>Net funds</b>	<b>215,250</b>	<b>(212,807)</b>	<b>2,443</b>

**WEBSTER & HORSFALL LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards.

**Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- Over 40 years
Plant & Machinery	- 10% straight line per annum
Fixtures & Fittings	- 20% straight line per annum
Motor Vehicles	- 25% straight line per annum

**Stocks**

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

**Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account at a constant rate of charge on the balance of capital repayments outstanding.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

**WEBSTER & HORSFALL LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

**1. ACCOUNTING POLICIES** *(continued)*

**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 of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**2. OPERATING LOSS**

Operating loss is stated after charging/(crediting):

	2003	2002
	£	£
Depreciation	52,962	82,027
Profit on disposal of fixed assets	(5,200)	(13,217)
Auditors' remuneration		
- as auditors	29,900	17,487
- for other services	2,930	2,700
Operating lease costs:		
Plant and equipment	2,560	2,560
Vehicles	—	8,369
Net profit on foreign currency translation	<u>(17,881)</u>	<u>(6,608)</u>

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	2003	2002
	No	No
Number of production staff	72	70
Number of distribution staff	12	12
Number of administrative staff	16	16
	<u>100</u>	<u>98</u>

The aggregate payroll costs of the above were:

	2003	2002
	£	£
Wages and salaries	1,828,842	1,825,026
Social security costs	181,958	168,481
Staff pension contributions	93,730	98,322
Other pension costs	4,122	11,048
	<u>2,108,652</u>	<u>2,102,877</u>

**WEBSTER & HORSFALL LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

**4. DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were:

	2003 £	2002 £
Emoluments receivable	183,581	178,379
Value of company pension contributions to money purchase schemes	12,890	12,559
	<u>196,471</u>	<u>190,938</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2003 No	2002 No
Money purchase schemes	<u>2</u>	<u>2</u>

**5. W & H CANADA INCOME**

Income of £46,946 was received during the year from the company's wholly owned subsidiary, Webster & Horsfall (Canada) Limited. This income is in addition to usual operating income receivable from the subsidiary.

**6. INCOME FROM PARTICIPATING INTERESTS**

	2003 £	2002 £
Income from participating interests	<u>-</u>	<u>28,818</u>

**7. REDDIWIRE LOAN WRITE OFF**

During the year, the company waived the inter-company loan with Reddiwire Limited (a 100% owned subsidiary), to the value of £261,008.

**8. LOSS ON IMPAIRMENT OF INVESTMENTS**

	2003 £	2002 £
Impairment of investment	5,000	-
Total write off charge	<u>5,000</u>	<u>-</u>

The carrying value of the investment in the wholly owned subsidiary, Webster & Horsfall (Canada) Limited, has been written down to £nil during the year following the dissolution of this company on 4 December 2003.

**9. INTEREST PAYABLE**

	2003 £	2002 £
Finance charges	<u>11</u>	<u>814</u>

**WEBSTER & HORSFALL LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

**10. TAX ON PROFIT OR (LOSS) ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2003 £	2002 £
Current tax:		
UK Corporation tax based on the results for the year at -% (2002 - 20%)	—	(9,654)
Over/under provision in prior year	—	1
Total current tax	<u>—</u>	<u>(9,653)</u>

**(b) Factors affecting current tax charge**

	2003 £	2002 £
Profit/(loss) on ordinary activities before taxation	<u>94,855</u>	<u>(131,031)</u>
Profit/(loss) on ord actvs by standard rate of tax	28,457	(26,206)
Income not taxable for tax purposes	(71,978)	196
Capital allowances for period in excess of depreciation	(11,262)	(13,712)
Franked investment income	—	(5,764)
Unrelieved tax losses and other deductions arising in the period	71,139	35,832
Adjustment to tax charge in respect of previous periods	—	1
Other short term timing differences	(16,356)	—
Total current tax (note 10(a))	<u>—</u>	<u>(9,653)</u>

**(c) Factors that may affect future tax charges**

There are carried forward tax losses of approximately £415,000 (2002: £179,000).

**11. DEFERRED TAXATION**

Deferred tax assets to the value of £106,000 (2002: £68,000) have not been recognised in the financial statements since there is uncertainty as to their recoverability given the current lack of taxable profits.

**12. DIVIDENDS**

The following dividends have been paid or proposed in respect of the year:

	2003 £	2002 £
Proposed dividend on ordinary shares	35,019	—
Dividend paid on ordinary shares	23,346	93,384
	<u>58,365</u>	<u>93,384</u>

**WEBSTER & HORSFALL LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

**13. TANGIBLE FIXED ASSETS**

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>					
At 1 January 2003	115,536	1,340,108	516,575	513,092	2,485,311
Additions	—	—	—	17,009	17,009
Disposals	—	—	—	(44,402)	(44,402)
<b>At 31 December 2003</b>	<u>115,536</u>	<u>1,340,108</u>	<u>516,575</u>	<u>485,699</u>	<u>2,457,918</u>
<b>DEPRECIATION</b>					
At 1 January 2003	94,529	1,250,710	486,189	475,746	2,307,174
Charge for the year	—	31,478	8,491	12,993	52,962
On disposals	—	—	—	(44,402)	(44,402)
<b>At 31 December 2003</b>	<u>94,529</u>	<u>1,282,188</u>	<u>494,680</u>	<u>444,337</u>	<u>2,315,734</u>
<b>NET BOOK VALUE</b>					
<b>At 31 December 2003</b>	<u>21,007</u>	<u>57,920</u>	<u>21,895</u>	<u>41,362</u>	<u>142,184</u>
At 31 December 2002	<u>21,007</u>	<u>89,398</u>	<u>30,386</u>	<u>37,346</u>	<u>178,137</u>

The cost of depreciable assets included in land and buildings at the year end is £94,529.

**Hire purchase agreements**

Included within the net book value of £142,184 is £14,882 (2002 - £Nil) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £2,136 (2002 - £6,348).

**14. INVESTMENTS**

	Reddiwire Limited £	Webster and Horsfall (Canada) Limited £	Latch and Batchelor Limited £	Total £
<b>COST</b>				
At 1 January 2003 and 31 December 2003	<u>1</u>	<u>5,000</u>	<u>13,340</u>	<u>18,341</u>
<b>AMOUNTS WRITTEN OFF</b>				
Written off in year	—	5,000	—	5,000
<b>At 31 December 2003</b>	<u>—</u>	<u>5,000</u>	<u>—</u>	<u>5,000</u>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2003</b>	<u>1</u>	<u>—</u>	<u>13,340</u>	<u>13,341</u>
At 31 December 2002	<u>1</u>	<u>5,000</u>	<u>13,340</u>	<u>18,341</u>

**WEBSTER & HORSFALL LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

**14. INVESTMENTS** *(continued)*

The company owns 100% of the issued share capital of Webster & Horsfall (Canada) Limited, a company incorporated in Canada. The company ceased trading on 28th January 1993.

The company owns 42.9% of the issued share capital of Latch & Bachelor Limited, a company incorporated in England and Wales. The company manufactures and factors steel wire rope.

	2003 £	2002 £
<b>Aggregate capital and reserves</b>		
Webster & Horsfall (Canada) Limited	—	(7,400)
Latch & Bachelor Limited	422,053	506,523
Reddiwire Limited	—	261,161
<b>Profit and (loss) for the year / period</b>		
Webster & Horsfall (Canada) Limited	(736)	(15,214)
Latch & Bachelor Limited	(117,555)	20,648
Reddiwire Limited	(261,161)	(64,887)

**15. STOCKS**

	2003 £	2002 £
Raw materials	198,361	177,537
Work in progress	262,264	307,405
Finished goods	811,728	822,351
	<u>1,272,353</u>	<u>1,307,293</u>

**16. DEBTORS**

	2003 £	2002 £
Trade debtors	1,573,156	2,025,450
Amounts owed by undertakings in which the company has a participating interest	419,347	427,458
Corporation tax repayable	—	9,654
Prepayments and accrued income	22,865	44,431
	<u>2,015,368</u>	<u>2,506,993</u>



**WEBSTER & HORSFALL LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

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

	2003	2002
	£	£
Trade creditors	632,714	1,236,022
Amounts owed to group undertakings	—	261,009
Other taxation and social security	178,597	182,032
Hire purchase agreements	6,210	1,391
Dividends payable	35,019	—
Other creditors	—	22,935
Accruals and deferred income	165,616	126,763
	<u>1,018,156</u>	<u>1,830,152</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2003	2002
	£	£
Secured debt < 1 Yr: Hire purchase agreements	<u>6,210</u>	<u>1,391</u>

The hire purchase obligation is secured on the asset to which it relates, and is repayable in less than five years.

**18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows:

	2003	2002
	£	£
Amounts payable within 1 year	<u>6,210</u>	<u>1,391</u>
	<u>6,210</u>	<u>1,391</u>

**19. PENSIONS**

The company operates a defined contribution pension scheme. The funds of the scheme are administered by Trustees and are separate from the company. The company's contribution for the year was £93,730 (2002: £98,322)

**20. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2003 the company had annual commitments under non-cancellable operating leases as set out below.

	2003		2002	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire:				
Within 1 year	—	2,560	—	454
Within 2 to 5 years	21,375	5,823	85,000	8,383
	<u>21,375</u>	<u>8,383</u>	<u>85,000</u>	<u>8,837</u>

**WEBSTER & HORSFALL LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2003**

**21. SHARE CAPITAL****Authorised share capital:**

	2003	2002
	£	£
97,982 Ordinary "A" shares of £1 each	97,982	97,982
135,479 Ordinary "B" shares of £1 each	135,479	135,479
161,539 11% non-cumulative preference shares of £1 each	161,539	161,539
	<u>395,000</u>	<u>395,000</u>

**Allotted and called up:**

	2003		2002	
	No	£	No	£
Ordinary "A" shares fully of £1 each	97,982	97,982	97,982	97,982
Ordinary "B" shares fully paid of £1 each	135,479	135,479	135,479	135,479
	<u>233,461</u>	<u>233,461</u>	<u>233,461</u>	<u>233,461</u>

**22. OTHER RESERVES**

	2003	2002
	£	£
Capital redemption reserve	161,539	161,539
Plant replacement reserve balance brought forward	31,000	31,000
Capital reserve balance brought forward	100,000	100,000
General reserve balance brought forward	44,349	44,349
	<u>336,888</u>	<u>336,888</u>