

**Registration Number 60275**

**Platt & Hill Limited**  
**Abbreviated Accounts**  
**for the year ended 31 December 1998**



## **Platt & Hill Limited**

### **Company Information**

Directors	A R Hill J P Platt D S Hill I T Gubbins
Secretary	I T Gubbins
Company Number	60275
Registered Office	Belgrave Mill Fitton Hill Road Oldham OL8 2LZ
Auditors	Alan Partington & Co Sterling House 501 Middleton Road Chadderton Oldham OL9 9LA
Business Address	Belgrave Mill Fitton Hill Road Oldham OL8 2LZ
Bankers	National Westminster Bank plc 10 Yorkshire Street Oldham OL1 1QT

## **Platt & Hill Limited**

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**Platt & Hill Limited**  
**Directors' Report**  
**for the year ended 31 December 1998**

The directors present their report and the accounts for the year ended 31 December 1998.

**Principal Activity and Review of the Business**

The principal activity of the company has continued to be the manufacture of flexible foam and fibre products.

Turnover has increased by 1.2% during the year and the result for 1998 was a pre tax profit of £2,660 (1997 : loss of £103,267). After bringing into account tax recoverable of £ 7,405 (1997 : £25,631 ) an amount of £10,065 was added to retained profits (1997 : deduction of £ 77,636). The Directors consider that the Company's financial position at the year end was satisfactory even though the competition remains strong within the industry

**Results And Dividends**

The results for the year are set out on page 4.

The directors do not recommend payment of a dividend.

**Employment Policy**

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. During the year, the policy of providing employees with information about the company has been continued and meetings are held between management and employees to allow the free flow of information and ideas.

**Directors and their Interests**

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	1998	1997
A R Hill	15,779	15,779
J P Platt	21,210	17,515
D S Hill	15,779	15,779
I T Gubbins	-	-

**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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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.

**Platt & Hill Limited**

**Directors' Report  
for the year ended 31 December 1998**


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.

**Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Alan Partington & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

This report was approved by the Board on 24 May 1999 and signed on its behalf by



**I T Gubbins  
Secretary**

**Auditors' Report to Platt & Hill Limited  
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 4 to 17 together with the financial statements of Platt & Hill Limited for the year ended 31 December 1998 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

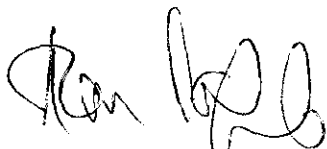
The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 31 December 1998, and the abbreviated accounts on pages 4 to 17 are properly prepared in accordance with that provision.



**Alan Partington & Co  
Chartered Accountants and  
Registered Auditor**

**Sterling House  
501 Middleton Road  
Chadderton  
Oldham  
OL9 9LA**

**Platt & Hill Limited**

**Abbreviated Profit and Loss Account  
for the year ended 31 December 1998**

		<b>Continuing operations</b>	
		<b>1998</b>	<b>1997</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Gross profit</b>		5,198,042	5,092,344
Staff costs	5	(3,170,961)	(2,986,554)
Depreciation on fixed assets		(214,596)	(242,424)
Other operating charges		(1,881,841)	(1,941,585)
<b>Operating loss</b>	2	(69,356)	(78,219)
Profit/(Loss) on Sale of Fixed Assets		128,700	32,767
Interest receivable and similar income	3	26,514	24,735
Interest payable and similar charges	4	(83,198)	(82,550)
<b>Profit/(loss) on ordinary activities before taxation</b>		2,660	(103,267)
Tax on profit/(loss) on ordinary activities	7	7,405	25,631
<b>Retained profit/(loss) for the year</b>		10,065	(77,636)
Retained profit brought forward		1,219,864	1,297,500
<b>Retained profit carried forward</b>		<u>1,229,929</u>	<u>1,219,864</u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 7 to 17 form an integral part of these financial statements.

**Platt & Hill Limited**

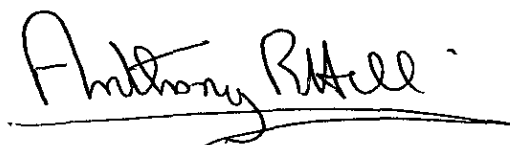
**Balance Sheet  
as at 31 December 1998**

		1998		1997	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	8		1,818,962		1,589,862
Investments	9		3,051		3,051
			<u>1,822,013</u>		<u>1,592,913</u>
<b>Current Assets</b>					
Stocks	10	589,256		659,527	
Debtors	11	1,964,854		1,901,805	
Cash at bank and in hand		669		577	
		<u>2,554,779</u>		<u>2,561,909</u>	
<b>Creditors: amounts falling due within one year</b>	12	(2,302,503)		(2,167,586)	
<b>Net Current Assets</b>			<u>252,276</u>		<u>394,323</u>
<b>Total Assets Less Current Liabilities</b>			2,074,289		1,987,236
<b>Creditors: amounts falling due after more than one year</b>	13		(714,408)		(630,015)
<b>Provision for Liabilities and Charges</b>	14		(30,752)		(38,157)
<b>Net Assets</b>			<u>1,329,129</u>		<u>1,319,064</u>
<b>Capital and Reserves</b>					
Called up share capital	15		99,200		99,200
Profit and loss account			1,229,929		1,219,864
<b>Equity Shareholders' Funds</b>	16		<u>1,329,129</u>		<u>1,319,064</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The abbreviated accounts were approved by the Board on 24 May 1999 and signed on its behalf by

A R Hill  
Director



The notes on pages 7 to 17 form an integral part of these financial statements.



**Platt & Hill Limited**

**Cash Flow Statement  
for the year ended 31 December 1998**

	Notes	1998 £	1997 £
<b>Reconciliation of operating profit/(loss) to net cash inflow from operating activities</b>			
Operating profit/(loss)		(69,356)	(78,219)
Rents Receivable		24,973	24,259
Depreciation		214,596	242,424
Decrease / (increase) in stocks		70,271	(35,368)
(Increase) / decrease in debtors		(108,202)	206,425
Increase in creditors		153,992	3,742
<b>Net cash inflow from operating activities</b>		<u>286,274</u>	<u>363,263</u>

**CASH FLOW STATEMENT**

Net cash inflow from operating activities		286,274	363,263
Returns on investments and servicing of finance	20	(81,657)	(82,074)
Taxation	20	45,153	(40,456)
Capital expenditure	20	(294,996)	(209,887)
		<u>(45,226)</u>	<u>30,846</u>
Financing	20	68,275	(76,446)
<b>Decrease in cash in the year</b>		<u>23,049</u>	<u>(45,600)</u>

**Reconciliation of net cash flow to movement in net debt (Note 21)**

<b>Decrease in cash in the year</b>		23,049	(45,600)
Cash inflow from increase in debts and lease financing		(68,275)	76,446
Change in net debt resulting from cash flows		<u>(45,226)</u>	<u>30,846</u>
New finance leases		(20,000)	(18,855)
<b>Movement in net debt in the year</b>		<u>(65,226)</u>	<u>11,991</u>
<b>Net debt at 1 January 1998</b>		<u>(903,865)</u>	<u>(915,856)</u>
<b>Net debt at 31 December 1998</b>		<u>(969,091)</u>	<u>(903,865)</u>

## **Platt & Hill Limited**

### **Notes to the Abbreviated Financial Statements for the year ended 31 December 1998**

#### **1. Accounting Policies**

##### **1.1 Accounting convention**

The accounts are prepared under the historical cost convention.

##### **1.2 Turnover**

Turnover represents product sales less all returns and rebates payable thereon, and excluding value added tax.

##### **1.3 Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight Line over forty years
Leasehold properties	-	Straight Line over the life of the lease
Plant and machinery	-	12.5% Straight Line
Fixtures, fittings and equipment	-	10% Straight Line
Motor vehicles	-	25% Straight Line
Computer equipment	-	20% Straight Line

##### **1.4 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **1.5 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

##### **1.6 Stock**

Stock is valued at the lower of cost and net realisable value.

##### **1.7 Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

##### **1.8 Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

**1.9 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. All differences are taken to the Profit and Loss account.

**1.10 Consolidated accounts**

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

<b>2. Operating loss</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Operating loss is stated after charging:		
Depreciation of tangible assets	214,596	242,424
Operating lease rentals		
- Plant and machinery	41,124	37,495
Auditors' remuneration	8,800	8,650
	<u>          </u>	<u>          </u>
and after crediting:		
Profit / (loss) on foreign currencies	<u>1,178</u>	<u>(38,100)</u>
 <b>3. Interest receivable and similar income</b>	 <b>1998</b>	 <b>1997</b>
	<b>£</b>	<b>£</b>
Bank interest	319	476
Rents receivable	24,973	24,259
Other interest	1,222	-
	<u>26,514</u>	<u>24,735</u>
 <b>4. Interest payable and similar charges</b>	 <b>1998</b>	 <b>1997</b>
	<b>£</b>	<b>£</b>
On bank overdrafts	9,995	8,726
On loans repayable within five years	15,598	17,642
On loans repayable in five years or more	53,560	48,049
Lease finance charges and hire purchase interest	4,045	8,133
	<u>83,198</u>	<u>82,550</u>

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

**5. Employees**

**Number of employees**

The average monthly numbers of employees  
(including the directors) during the year were:

	1998	1997
Management	17	17
Administration	30	22
Production	212	196
	<u>259</u>	<u>235</u>

**Employment costs**

	1998	1997
	£	£
Wages and salaries	2,841,987	2,682,139
Social security costs	235,433	222,556
Other pension costs	93,541	81,859
	<u>3,170,961</u>	<u>2,986,554</u>

**5.1 Directors' emoluments**

	1998	1997
	£	£
Remuneration and other emoluments	261,789	254,348
Pension contributions	34,888	33,129
	<u>296,677</u>	<u>287,477</u>

	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	4	4

**Highest Paid Director**

Amounts included above:

	£	£
Emoluments and other benefits	70,690	69,047
Pension contributions	9,808	9,277
	<u>80,498</u>	<u>78,324</u>

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

**6. Pension costs**

The company operates a defined contribution pension scheme in respect of the directors and senior management staff. The scheme assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £77,080 (1997 : £68,853). There is no ongoing commitment to pay contributions to the scheme.

**7. Taxation**

	1998 £	1997 £
<b>UK current year taxation</b>		
UK Corporation Tax at 21% (1997 - 21%)	-	(45,153)
Transfer from deferred taxation	(7,405)	14,170
	<u>(7,405)</u>	<u>(30,983)</u>
<b>Prior years</b>		
UK Corporation Tax	-	5,352
	<u>(7,405)</u>	<u>(25,631)</u>

**8. Tangible fixed assets**

	Land and buildings freehold	Long leasehold property	Plant and machinery	Fixtures, fittings equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 January 1998	161,941	910,771	2,522,704	612,370	83,027	4,290,813
Additions	-	195,712	283,509	49,663	18,262	547,146
Disposals	(161,941)	-	(37,535)	(23,660)	(36,151)	(259,287)
At 31 December 1998	<u>-</u>	<u>1,106,483</u>	<u>2,768,678</u>	<u>638,373</u>	<u>65,138</u>	<u>4,578,672</u>
<b>Depreciation</b>						
At 1 January 1998	67,804	112,456	1,955,219	490,203	75,269	2,700,951
On disposals	(67,804)	-	(33,425)	(23,660)	(30,948)	(155,837)
Charge for the year	-	27,662	144,584	36,935	5,415	214,596
At 31 December 1998	<u>-</u>	<u>140,118</u>	<u>2,066,378</u>	<u>503,478</u>	<u>49,736</u>	<u>2,759,710</u>
<b>Net book values</b>						
At 31 December 1998	<u>-</u>	<u>966,365</u>	<u>702,300</u>	<u>134,895</u>	<u>15,402</u>	<u>1,818,962</u>
At 31 December 1997	<u>94,137</u>	<u>798,315</u>	<u>567,485</u>	<u>122,167</u>	<u>7,758</u>	<u>1,589,862</u>

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	1998		1997	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Plant and machinery	28,320	11,100	19,420	13,137
Equipment	5,496	1,766	8,516	1,510
Computer equipment	5,591	3,020	7,357	1,471
	<u>39,407</u>	<u>15,886</u>	<u>35,293</u>	<u>16,118</u>

**9. Fixed Asset Investments**

	Subsidiary Undertakings
	£
<b>Cost</b>	
At 1 January 1998	
At 31 December 1998	<u>8,100</u>
<b>Provisions for diminution in value:</b>	
At 1 January 1998	
At 31 December 1998	<u>5,049</u>
<b>Net book values</b>	
At 31 December 1998	<u>3,051</u>
At 31 December 1997	<u>3,051</u>

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

**9.1 Holdings of 20% or more**

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	
<b>Significant interests</b>			
Tranquility Products Ltd	England & Wales	Ordinary	100%
David Moore & Co Ltd	England & Wales	Ordinary	100%

The amounts of aggregate share capital and reserves at 31st December 1998 were equal to the amount of the investments shown above. Both subsidiary companies are dormant

10. Stocks	1998 £	1997 £
Raw materials and consumables	514,529	551,185
Finished goods and goods for resale	74,727	108,342
	<u>589,256</u>	<u>659,527</u>

11. Debtors	1998 £	1997 £
Trade debtors	1,815,247	1,784,138
Other debtors	-	45,153
Prepayments and accrued income	149,607	72,514
	<u>1,964,854</u>	<u>1,901,805</u>

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

<b>12. Creditors: amounts falling due within one year</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Bank overdraft (secured)	179,539	202,496
Bank loan (secured)	58,100	56,600
Net obligations under finance leases and hire purchase contracts (secured)	17,713	15,331
Trade creditors	1,374,839	1,386,845
Amounts owed to connected companies	3,051	3,051
Other taxes and social security costs	240,258	196,448
Accruals and deferred income	429,003	306,815
	<u>2,302,503</u>	<u>2,167,586</u>
 <b>13. Creditors: amounts falling due after more than one year</b>	 <b>1998</b>	 <b>1997</b>
	<b>£</b>	<b>£</b>
Bank loan	692,021	607,915
Net obligations under finance leases and hire purchase contracts	22,387	22,100
	<u>714,408</u>	<u>630,015</u>
 <b>Loans</b>		
Repayable in one year or less, or on demand (Note 12)	58,100	56,600
Repayable between one and two years	64,100	58,200
Repayable between two and five years	88,440	123,922
Repayable in five years or more	539,481	425,793
	<u>750,121</u>	<u>664,515</u>

The Bank Loans are secured by legal mortgages and a debenture to National Westminster Bank plc

**Net obligations under finance leases and hire purchase contracts**

Repayable within one year	17,713	15,331
Repayable between one and five years	22,387	22,100
	<u>40,100</u>	<u>37,431</u>



**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

**14. Provisions for liabilities and charges**

Deferred tax is analysed over the following timing differences:

	<b>Provided</b>	
	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	70,639	40,994
Other timing differences	4,448	4,448
Tax losses available	(44,335)	(7,285)
	<u>30,752</u>	<u>38,157</u>

Movements on the provision for deferred taxation are:

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
<b>At 1 January 1998</b>	38,157	23,987
Transferred to profit and loss account	(7,405)	14,170
<b>At 31 December 1998</b>	<u>30,752</u>	<u>38,157</u>

**15. Share capital**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
<b>Authorised equity</b>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid equity</b>		
99,200 Ordinary shares of £1 each	<u>99,200</u>	<u>99,200</u>

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

**16. Reconciliation of movements in shareholders' funds**

	1998 £	1997 £
Profit/(loss) for the year	10,065	(77,636)
Opening shareholders' funds	1,319,064	1,396,700
	<u>1,329,129</u>	<u>1,319,064</u>

**17. Financial commitments**

At 31 December 1998 the company had annual commitments under non-cancellable operating leases as follows:

	1998 £	Other 1997 £
<b>Expiry date:</b>		
Within one year	6,552	3,910
Between one and five years	25,925	35,711
	<u>32,477</u>	<u>39,621</u>

**18. Capital commitments**

	1998 £	1997 £
Details of capital commitments at the accounting date are as follows:		
Contracted for but not provided in the financial statements	<u>22,997</u>	<u>112,040</u>

**19. Contingent liabilities**

There is a further potential liability of approximately £15,000 (1997 : £27,000) in respect of tax deferred by virtue of capital allowances, but the directors consider that this will not arise in the foreseeable future

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

**20. Gross Cash Flows**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	1,541	476
Interest paid	(79,153)	(74,417)
Interest element of finance lease rental payments	(4,045)	(8,133)
	<u>(81,657)</u>	<u>(82,074)</u>
<b>Taxation</b>		
Corporation tax paid	-	(40,456)
Corporation tax repaid	45,153	-
	<u>45,153</u>	<u>(40,456)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(527,146)	(257,536)
Receipts from sales of tangible assets	232,150	47,649
	<u>(294,996)</u>	<u>(209,887)</u>
<b>Financing</b>		
New long term bank loan	140,000	-
Repayment of short term bank loan	(54,394)	(52,319)
Capital element of finance lease contracts	(17,331)	(24,127)
	<u>68,275</u>	<u>(76,446)</u>

**Platt & Hill Limited**

**Notes to the Abbreviated Financial Statements  
for the year ended 31 December 1998**

..... continued

**21. Analysis of changes in net debt**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Other changes</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	577	92		669
Overdrafts	(202,496)	22,957		(179,539)
	(201,919)	23,049		(178,870)
Debt due within one year	(56,600)	54,394	(55,894)	(58,100)
Debt due after one year	(607,915)	(140,000)	55,894	(692,021)
Finance leases	(37,431)	17,331	(20,000)	(40,100)
	(701,946)	(68,275)	(20,000)	(790,221)
<b>Net debt</b>	<b>(903,865)</b>	<b>(45,226)</b>	<b>(20,000)</b>	<b>(969,091)</b>