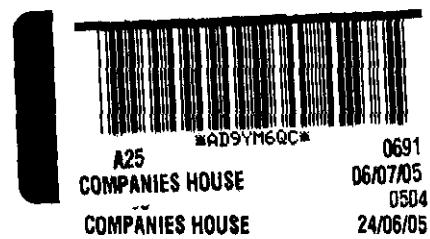


Registration number 60275

Platt & Hill Limited

Abbreviated accounts

for the year ended 31 December 2004



Platt & Hill Limited

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Platt & Hill Limited

Directors' report for the year ended 31 December 2004

The directors present their report and the accounts for the year ended 31 December 2004.

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.

Results and dividends

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

The directors do not recommend payment of a final 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	
	31/12/04	01/01/04
A R Hill	15,779	15,779
J P Platt	21,210	21,210
D S Hill	16,120	16,120
M D Iwanowysch	-	-
N Bonner	-	-

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.

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.

Platt & Hill Limited

**Directors' report
for the year ended 31 December 2004**

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Wrigley Partington 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 27 May 2005 and signed on its behalf by

M. Iwanowytsch.

**M D Iwanowytsch
Secretary**

**Independent 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 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, 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 directors and auditors

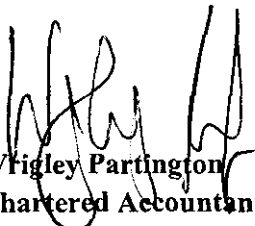
The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the 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 2004, and the abbreviated accounts on pages 4 to 17 are properly prepared in accordance with that provision.


Wrigley Partington
Chartered Accountants and
Registered Auditor

22d June 2005

Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

Platt & Hill Limited

**Abbreviated profit and loss account
for the year ended 31 December 2004**

		Continuing operations	
		2004	2003
	Notes	£	£
Gross profit		3,566,029	3,380,331
Other operating income		45,811	41,842
Staff costs	5	(2,904,929)	(2,869,144)
Depreciation on fixed assets		(163,710)	(219,515)
Other operating charges		(479,250)	(540,923)
Operating profit/(loss)	2	63,951	(207,409)
Other interest receivable and similar income	3	73	576
Interest payable and similar charges	4	(33,849)	(43,972)
Profit/(loss) on ordinary activities before taxation		30,175	(250,805)
Tax on profit/(loss) on ordinary activities	7	(7,586)	65,441
Profit/(loss) on ordinary activities after taxation		22,589	(185,364)
Profit/(Loss) for the year		22,589	(185,364)
Retained profit brought forward		1,207,902	1,393,266
Retained profit carried forward		1,230,491	1,207,902

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

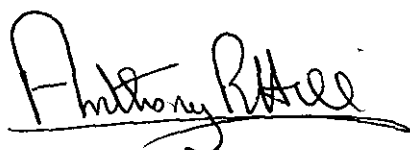
**Abbreviated balance sheet
as at 31 December 2004**

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		1,071,236		1,207,796
Investments	9		3,051		3,051
			<u>1,074,287</u>		<u>1,210,847</u>
Current assets					
Stocks	10	744,416		569,969	
Debtors	11	1,865,440		2,021,270	
Cash at bank and in hand		369		422	
		<u>2,610,225</u>		<u>2,591,661</u>	
Creditors: amounts falling due within one year	12	<u>(2,025,714)</u>		<u>(2,101,622)</u>	
Net current assets			<u>584,511</u>		<u>490,039</u>
Total assets less current liabilities			1,658,798		1,700,886
Creditors: amounts falling due after more than one year	13		<u>(329,107)</u>		<u>(393,784)</u>
Net assets			<u><u>1,329,691</u></u>		<u><u>1,307,102</u></u>
Capital and reserves					
Called up share capital	15		99,200		99,200
Profit and loss account			1,230,491		1,207,902
Equity shareholders' funds	16		<u><u>1,329,691</u></u>		<u><u>1,307,102</u></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 27 May 2005 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 2004**

	Notes	2004 £	2003 £
Reconciliation of operating profit/(loss) to net cash inflow from operating activities			
Operating profit/(loss)		63,951	(207,409)
Depreciation		163,710	219,515
(Increase) in stocks		(174,447)	256,783
Decrease in debtors		152,470	217,593
(Decrease) in creditors		(71,834)	(140,203)
Net cash inflow from operating activities		<u>133,850</u>	<u>346,279</u>
Cash flow statement			
Net cash inflow from operating activities		133,850	346,279
Returns on investments and servicing of finance	19	(33,776)	(43,396)
Taxation	19	-	23,044
Capital expenditure	19	(11,094)	16,184
		<u>88,980</u>	<u>342,111</u>
Financing	19	(107,250)	(115,516)
Decrease in cash in the year		<u>(18,270)</u>	<u>226,595</u>
Reconciliation of net cash flow to movement in net funds (Note 20)			
Decrease in cash in the year		(18,270)	226,595
Cash outflow from increase in debts and lease financing		107,250	115,516
		<u>88,980</u>	<u>342,111</u>
Change in net funds resulting from cash flows		88,980	342,111
New finance leases and hire purchase contracts		(16,057)	(23,817)
Movement in net funds in the year		<u>72,923</u>	<u>318,294</u>
Net debt at 1 January 2004		<u>(596,880)</u>	<u>(915,174)</u>
Net debt at 31 December 2004		<u>(523,957)</u>	<u>(596,880)</u>

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2004**

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:

Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	12.5% Straight Line
Fixtures, fittings and equipment	-	10% 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.

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2004**

..... continued

1.8. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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 date of the transactions. All differences are taken to the Profit and Loss account.

1.10. Group accounts

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

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2004**

..... continued

2. Operating profit/(loss)	2004	2003
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation and other amounts written off tangible assets	160,710	207,916
Loss on disposal of tangible fixed assets	3,000	11,599
Operating lease rentals		
- Motor vehicles	48,275	56,009
Auditors' remuneration	12,000	10,000
	<u> </u>	<u> </u>
and after crediting:		
Profit on foreign currencies	6,324	295
	<u> </u>	<u> </u>
3. Interest receivable and similar income	2004	2003
	£	£
Bank interest	73	-
Other interest	-	576
	<u> </u>	<u> </u>
	73	576
	<u> </u>	<u> </u>
4. Interest payable and similar charges	2004	2003
	£	£
Interest payable on loans < 1 yr	5,491	13,465
On loans repayable between two and five years	2,377	2,556
On loans repayable in five years or more	22,727	24,442
Lease finance charges and hire purchase interest	3,254	3,509
	<u> </u>	<u> </u>
	33,849	43,972
	<u> </u>	<u> </u>

Platt & Hill Limited

Notes to the abbreviated financial statements
for the year ended 31 December 2004

..... continued

5. Employees

Number of employees	2004	2003
The average monthly numbers of employees (including the directors) during the year were:		
Management	14	14
Administration	24	23
Production	154	153
	<u>192</u>	<u>190</u>

Employment costs	2004 £	2003 £
Wages and salaries	2,593,872	2,556,746
Social security costs	226,001	219,767
Other pension costs	85,056	92,631
	<u>2,904,929</u>	<u>2,869,144</u>

5.1. Directors' emoluments	2004 £	2003 £
Remuneration and other emoluments	374,444	361,928
Pension contributions	44,932	55,905
Compensation for loss of office	1,831	5,652
	<u>421,207</u>	<u>423,485</u>

	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>3</u>	<u>3</u>

Highest paid director	£	£
Amounts included above:		
Emoluments and other benefits	85,938	96,523
Pension contributions	14,605	15,228
	<u>100,543</u>	<u>111,751</u>

Platt & Hill Limited

Notes to the abbreviated financial statements
for the year ended 31 December 2004

..... 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 £85,056 (2003 : £92,631). There is no ongoing commitment to pay contributions to the scheme.

7. Tax on profit/(loss) on ordinary activities

Analysis of charge in period	2004	2003
	£	£
UK corporation tax	4,226	-
Total current tax charge	4,226	-
Deferred tax		
Timing differences, origination and reversal	3,360	(65,441)
Total deferred tax	3,360	(65,441)
Tax on profit/(loss) on ordinary activities	7,586	(65,441)

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (19 per cent). The differences are explained below:

	2004	2003
	£	£
Profit/(loss) on ordinary activities before taxation	30,175	(250,805)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (31 December 2003 : 19%)	5,733	(47,653)
Effects of:		
Expenses not deductible for tax purposes	2,098	2,194
Depreciation for period in excess of capital allowances	8,560	16,164
Bad debt provision release	(1,351)	(5,875)
Tax losses utilised in period	(7,454)	35,170
Current tax charge for period	7,586	-

Platt & Hill Limited

Notes to the abbreviated financial statements
for the year ended 31 December 2004

..... continued

8.	Tangible fixed assets	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Total £
	Cost						
	At 1 January 2004	1,106,483	2,918,937	278,298	12,993	504,993	4,821,704
	Additions	-	31,406	245	-	-	31,651
	Disposals	-	(10,000)	-	-	-	(10,000)
	At 31 December 2004	1,106,483	2,940,343	278,543	12,993	504,993	4,843,355
	Depreciation						
	At 1 January 2004	278,429	2,627,191	244,586	12,993	450,709	3,613,908
	On disposals	-	(2,500)	-	-	-	(2,500)
	Charge for the year	27,662	96,823	10,386	-	25,840	160,711
	At 31 December 2004	306,091	2,721,514	254,972	12,993	476,549	3,772,119
	Net book values						
	At 31 December 2004	800,392	218,829	23,571	-	28,444	1,071,236
	At 31 December 2003	828,054	291,746	33,712	-	54,284	1,207,796

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

Asset description	2004		2003	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Plant and machinery	44,674	8,044	50,218	8,044
Equipment	5,459	766	6,225	766
	50,133	8,810	56,443	8,810

Platt & Hill Limited

Notes to the abbreviated financial statements
for the year ended 31 December 2004

..... continued

9. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 January 2004		
At 31 December 2004	8,100	8,100
Provisions for diminution in value:		
At 1 January 2004		
At 31 December 2004	5,049	5,049
Net book values		
At 31 December 2004	3,051	3,051
At 31 December 2003	3,051	3,051

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	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Tranquility Products Limited	England & Wales		Ordinary	100%
David Moore & Co Ltd	England & Wales		Ordinary	100%

The amounts of aggregate share capital and reserves at 31st December 2004 were equal to the amount of the investments shown above. Both subsidiary companies are dormant.

10. Stocks	2004 £	2003 £
Raw materials and consumables	720,299	519,861
Finished goods and goods for resale	24,117	50,108
	744,416	569,969

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2004**

..... continued

11. Debtors	2004	2003
	£	£
Trade debtors	1,666,560	1,840,212
Other debtors	19,167	22,527
Prepayments and accrued income	179,713	158,531
	<u>1,865,440</u>	<u>2,021,270</u>
12. Creditors: amounts falling due within one year	2004	2003
	£	£
Bank overdraft	125,370	106,519
Bank loan	54,196	82,154
Net obligations under finance leases and hire purchase contracts	15,652	14,845
Trade creditors	1,287,052	1,444,899
Amounts owed to connected companies	3,051	3,051
Corporation tax	4,226	-
Other taxes and social security costs	219,811	264,902
Accruals and deferred income	316,356	185,252
	<u>2,025,714</u>	<u>2,101,622</u>

Platt & Hill Limited

Notes to the abbreviated financial statements
for the year ended 31 December 2004

..... continued

13. Creditors: amounts falling due after more than one year	2004 £	2003 £
Bank loan	299,904	354,736
Net obligations under finance leases and hire purchase contracts	29,203	39,048
	<u>329,107</u>	<u>393,784</u>
Loans		
Repayable in one year or less, or on demand (Note 12)	54,196	82,154
Repayable between one and two years	38,501	56,966
Repayable between two and five years	128,095	125,985
Repayable in five years or more	133,308	171,785
	<u>354,100</u>	<u>436,890</u>
Repayable in five years or more:		
	<u>133,308</u>	<u>171,785</u>

The Bank loans and overdraft 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	15,652	14,845
Repayable between one and five years	29,203	39,048
	<u>44,855</u>	<u>53,893</u>

14. Provision for deferred taxation	2004 £	2003 £
Accelerated capital allowances	22,396	30,529
Deferred tax on other items	2,726	2,726
Tax losses carried forward	(44,289)	(33,255)
Undiscounted provision for deferred tax	<u>(19,167)</u>	<u>-</u>

Platt & Hill Limited

Notes to the abbreviated financial statements
for the year ended 31 December 2004

..... continued

15. Share capital	2004 £	2003 £
Authorised		
100,000 Ordinary shares of 1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
99,200 Ordinary shares of 1 each	<u>99,200</u>	<u>99,200</u>
 16. Reconciliation of movements in shareholders' funds	 2004 £	 2003 £
Profit/(loss) for the year	22,589	(185,364)
Opening shareholders' funds	<u>1,307,102</u>	<u>1,492,466</u>
Closing shareholders' funds	<u>1,329,691</u>	<u>1,307,102</u>

17. Financial commitments

At 31 December 2004 the company had annual commitments under non-cancellable operating leases as follows:

	2004 £	Other 2003 £
Expiry date:		
Within one year	-	4,349
Between one and five years	<u>47,273</u>	<u>38,608</u>
	<u>47,273</u>	<u>42,957</u>

18. Capital commitments	2004 £	2003 £
Details of capital commitments at the accounting date are as follows:		
Contracted for but not provided in the financial statements	<u>14,692</u>	<u>20,595</u>

Platt & Hill Limited

Notes to the abbreviated financial statements
for the year ended 31 December 2004

..... continued

19. Gross cash flows

	2004 £	2003 £
Returns on investments and servicing of finance		
Interest received	73	576
Interest paid	(30,595)	(40,463)
Interest element of finance lease rental payments	(3,254)	(3,509)
	<u>(33,776)</u>	<u>(43,396)</u>
Taxation		
Corporation tax paid	-	23,044
	<u>-</u>	<u>23,044</u>
Capital expenditure		
Payments to acquire tangible assets	(15,594)	(3,316)
Receipts from sales of tangible assets	4,500	19,500
	<u>(11,094)</u>	<u>16,184</u>
Financing		
Repayment of short term bank loan	(82,155)	(80,897)
Capital element of finance lease contracts	(25,095)	(28,626)
	<u>(107,250)</u>	<u>(109,523)</u>

20. Analysis of changes in net funds

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	422	(53)		369
Overdrafts	(106,519)	(18,851)		(125,370)
	<u>(106,097)</u>	<u>(18,904)</u>		<u>(125,001)</u>
Debt due within one year	(82,155)	82,155	(54,196)	(54,196)
Debt due after one year	(354,735)	635	54,196	(299,904)
Finance leases and hire purchase contracts	(53,893)	25,095	(16,058)	(44,856)
	<u>(490,783)</u>	<u>107,885</u>	<u>(16,058)</u>	<u>(398,956)</u>
Net funds	<u>(596,880)</u>	<u>88,981</u>	<u>(16,058)</u>	<u>(523,957)</u>