

Registration Number 60275

Platt & Hill Limited

Abbreviated Accounts

for the year ended 31 December 2000



Platt & Hill Limited

Contents

	Page
Directors' Report	1 - 2
Auditors' Report	3
Abbreviated Profit and Loss Account	4
Balance Sheet	5
Cash Flow Statement	6
Notes to the Financial Statements	7 - 16

Platt & Hill Limited
Directors' Report
for the year ended 31 December 2000

The directors present their report and the accounts for the year ended 31 December 2000.

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 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	
		2000	1999
A R Hill		15,779	15,779
J P Platt		21,210	21,210
D S Hill		16,120	16,120
I T Gubbins	Resigned 9 June 2000	-	-

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 2000**

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 26 April 2001 and signed on its behalf by

M. Iwanowytch

**M D Iwanowytch
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 16 together with the financial statements of Platt & Hill Limited for the year ended 31 December 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

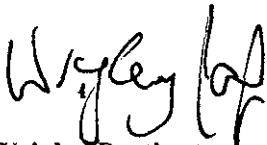
The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the 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 2000, and the abbreviated accounts on pages 4 to 16 are properly prepared in accordance with that provision.



**Wrigley Partington
Chartered Accountants and
Registered Auditor**

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

27th April 2001

Platt & Hill Limited

Abbreviated Profit and Loss Account
for the year ended 31 December 2000

		Continuing operations	
		2000	1999
	Notes	£	£
Gross profit		5,596,984	5,326,382
Staff costs	5	(3,215,243)	(3,085,820)
Depreciation on fixed assets		(208,647)	(223,341)
Other operating charges		(1,965,789)	(1,823,345)
Operating profit	2	207,305	193,876
Profit/(Loss) on Sale of Fixed Assets		4,484	11,970
Interest receivable and similar income	3	48,125	25,304
Interest payable and similar charges	4	(66,628)	(78,617)
Profit on ordinary activities before taxation		193,286	152,533
Tax on profit on ordinary activities	7	(32,404)	(45,529)
Retained profit for the year		160,882	107,004
Retained profit brought forward		1,336,932	1,229,925
Retained profit carried forward		1,497,814	1,336,929

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 16 form an integral part of these financial statements.

Platt & Hill Limited

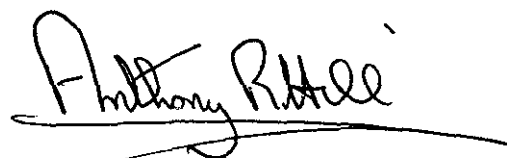
Balance Sheet
as at 31 December 2000

	Notes	2000		1999	
		£	£	£	£
Fixed Assets					
Tangible assets	8		1,548,066		1,679,903
Investments	9		3,051		3,051
			<u>1,551,117</u>		<u>1,682,954</u>
Current Assets					
Stocks	10	783,569		648,003	
Debtors	11	2,343,102		2,108,078	
Cash at bank and in hand		892		474	
		<u>3,127,563</u>		<u>2,756,555</u>	
Creditors: amounts falling due within one year	12	(2,445,178)		(2,324,990)	
Net Current Assets			<u>682,385</u>		<u>431,565</u>
Total Assets Less Current Liabilities			2,233,502		2,114,519
Creditors: amounts falling due after more than one year	13		(566,495)		(607,232)
Provision for Liabilities and Charges	14		(69,993)		(71,158)
Net Assets			<u>1,597,014</u>		<u>1,436,129</u>
Capital and Reserves					
Called up share capital	15		99,200		99,200
Profit and loss account			1,497,814		1,336,929
Equity Shareholders' Funds	16		<u>1,597,014</u>		<u>1,436,129</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 26 April 2001 and signed on its behalf by

A R Hill
Director



The notes on pages 7 to 16 form an integral part of these financial statements.

Platt & Hill Limited

Cash Flow Statement
for the year ended 31 December 2000

	Notes	2000 £	1999 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		207,305	193,876
Rents Receivable		47,134	25,160
Depreciation		208,647	223,341
(Increase) / decrease in stocks		(135,566)	(58,747)
(Increase) / decrease in debtors		(235,024)	(143,224)
Increase in creditors		161,191	(143,933)
Net cash inflow from operating activities		<u>253,687</u>	<u>96,473</u>

CASH FLOW STATEMENT

Net cash inflow from operating activities		253,687	96,473
Returns on investments and servicing of finance	18	(65,637)	(78,473)
Taxation	18	(5,123)	-
Capital expenditure	18	(32,324)	(67,316)
		<u>150,603</u>	<u>(49,316)</u>
Financing	18	(102,438)	(94,042)
Increase in cash in the year		<u>48,165</u>	<u>(143,358)</u>

Reconciliation of net cash flow to movement in net funds (Note 19)

Increase in cash in the year	48,165	(143,358)
Cash outflow from decrease in debts and lease financing	102,438	94,042
Change in net funds resulting from cash flows	150,603	(49,316)
New finance leases	(40,000)	(5,000)
Movement in net funds in the year	110,603	(54,316)
Net debt at 1 January 2000	(1,023,405)	(969,089)
Net debt at 31 December 2000	<u>(912,802)</u>	<u>(1,023,405)</u>

Platt & Hill Limited

Notes to the Abbreviated Financial Statements for the year ended 31 December 2000

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
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 2000**

..... 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.

2. Operating profit	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	208,647	223,341
Loss on foreign currencies	3,922	9,537
Operating lease rentals		
- Plant and machinery	53,301	52,143
Auditors' remuneration	9,625	9,125
	<u> </u>	<u> </u>
3. Interest receivable and similar income	2000	1999
	£	£
Bank interest	991	144
Rents receivable	47,134	25,160
	<u> </u>	<u> </u>
	48,125	25,304
	<u> </u>	<u> </u>
4. Interest payable and similar charges	2000	1999
	£	£
On bank overdrafts	3,844	8,805
On loans repayable within five years	14,838	8,665
On loans repayable in five years or more	45,166	57,203
Lease finance charges and hire purchase interest	2,780	3,944
	<u> </u>	<u> </u>
	66,628	78,617
	<u> </u>	<u> </u>

Platt & Hill Limited

Notes to the Abbreviated Financial Statements
for the year ended 31 December 2000

..... continued

5. Employees

Number of employees

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

	2000	1999
Management	15	16
Administration	25	27
Production	179	187
	<u>219</u>	<u>230</u>

Employment costs

	2000 £	1999 £
Wages and salaries	2,845,057	2,756,629
Social security costs	236,827	224,149
Other pension costs	133,359	105,042
	<u>3,215,243</u>	<u>3,085,820</u>

5.1. Directors' emoluments

	2000 £	1999 £
Remuneration and other emoluments	349,993	282,913
Pension contributions	64,628	37,320
	<u>414,621</u>	<u>320,233</u>

	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	3	4

Highest Paid Director

Amounts included above:

	£	£
Emoluments and other benefits	97,554	75,339
Pension contributions	20,584	10,248
	<u>118,138</u>	<u>85,587</u>

Platt & Hill Limited

Notes to the Abbreviated Financial Statements for the year ended 31 December 2000

..... 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 £111,307 (1999 : £84,779). There is no ongoing commitment to pay contributions to the scheme.

7. Taxation

	2000	1999
	£	£
UK current year taxation		
UK Corporation Tax	33,569	5,123
Transfer from deferred taxation	(1,165)	40,406
	<u>32,404</u>	<u>45,529</u>

8. Tangible fixed assets

	Long leasehold property	Plant and machinery	Fixtures, fittings equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2000	1,106,483	2,767,600	652,754	54,279	4,581,116
Additions	-	77,143	20,184	-	97,327
Disposals	-	(56,599)	(10,026)	(23,524)	(90,149)
At 31 December 2000	<u>1,106,483</u>	<u>2,788,144</u>	<u>662,912</u>	<u>30,755</u>	<u>4,588,294</u>
Depreciation					
At 1 January 2000	167,780	2,177,852	537,446	18,135	2,901,213
On disposals	-	(53,600)	(10,026)	(6,006)	(69,632)
Charge for the year	27,662	138,929	34,367	7,689	208,647
At 31 December 2000	<u>195,442</u>	<u>2,263,181</u>	<u>561,787</u>	<u>19,818</u>	<u>3,040,228</u>
Net book values					
At 31 December 2000	<u>911,041</u>	<u>524,963</u>	<u>101,125</u>	<u>10,937</u>	<u>1,548,066</u>
At 31 December 1999	<u>938,703</u>	<u>589,748</u>	<u>115,308</u>	<u>36,144</u>	<u>1,679,903</u>

Platt & Hill Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 December 2000**

..... continued

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

Asset description	2000		1999	
	Net	Depreciation	Net	Depreciation
	book value	charge	book value	charge
	£	£	£	£
Plant and machinery	47,750	10,855	21,605	9,176
Equipment	-	2,865	2,865	2,631
Computer equipment	-	1,167	1,167	4,425
	<u>47,750</u>	<u>14,887</u>	<u>25,637</u>	<u>16,232</u>

9. Fixed Asset Investments

	Subsidiary Undertakings
	£
Cost	
At 1 January 2000	
At 31 December 2000	<u>8,100</u>
Provisions for diminution in value:	
At 1 January 2000	
At 31 December 2000	<u>5,049</u>
Net book values	
At 31 December 2000	<u>3,051</u>
At 31 December 1999	<u>3,051</u>

Platt & Hill Limited

Notes to the Abbreviated Financial Statements
for the year ended 31 December 2000

..... 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	
Significant interests			
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 1999 were equal to the amount of the investments shown above. Both subsidiary companies are dormant

10. Stocks	2000 £	1999 £
Raw materials and consumables	664,270	545,392
Finished goods and goods for resale	119,299	102,611
	<u>783,569</u>	<u>648,003</u>

11. Debtors	2000 £	1999 £
Trade debtors	2,223,430	2,016,248
Prepayments and accrued income	119,672	91,830
	<u>2,343,102</u>	<u>2,108,078</u>

Platt & Hill Limited

Notes to the Abbreviated Financial Statements
for the year ended 31 December 2000

..... continued

12. Creditors: amounts falling due within one year	2000 £	1999 £
Bank overdraft (secured)	274,956	322,701
Bank loan (secured)	59,245	82,061
Net obligations under finance leases and hire purchase contracts (secured)	13,000	11,886
Trade creditors	1,467,724	1,328,016
Amounts owed to connected companies	3,051	3,051
Corporation tax	33,569	5,123
Other taxes and social security costs	261,541	258,705
Accruals and deferred income	332,092	313,447
	<u>2,445,178</u>	<u>2,324,990</u>
13. Creditors: amounts falling due after more than one year	2000 £	1999 £
Bank loan	531,745	591,982
Net obligations under finance leases and hire purchase contracts	34,750	15,250
	<u>566,495</u>	<u>607,232</u>
Loans		
Repayable in one year or less, or on demand (Note 12)	59,245	82,061
Repayable between one and two years	30,200	58,940
Repayable between two and five years	114,246	131,130
Repayable in five years or more	387,299	401,912
	<u>590,990</u>	<u>674,043</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	13,000	11,886
Repayable between one and five years	34,750	15,250
	<u>47,750</u>	<u>27,136</u>

Platt & Hill Limited

Notes to the Abbreviated Financial Statements
for the year ended 31 December 2000

..... continued

14. Provisions for liabilities and charges

Deferred tax is analysed over the following timing differences:

	Provided	
	2000	1999
	£	£
Accelerated capital allowances	65,688	70,324
Other timing differences	4,305	4,448
Tax losses available	-	(3,614)
	<u>69,993</u>	<u>71,158</u>

Movements on the provision for deferred taxation are:

	2000	1999
	£	£
At 1 January 2000	71,158	30,752
Transferred to profit and loss account	(1,165)	40,406
At 31 December 2000	<u>69,993</u>	<u>71,158</u>

A potential deferred tax liability relating to industrial buildings has not been provided. The amount involved is £19,650 (1999 - £16,600)

15. Share capital

	2000	1999
	£	£
Authorised equity		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid equity		
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 2000**

..... continued

16. Reconciliation of movements in shareholders' funds

	2000	1999
	£	£
Profit for the year	160,882	107,004
Opening shareholders' funds	1,436,132	1,329,128
	<u>1,597,014</u>	<u>1,436,132</u>

17. Financial commitments

At 31 December 2000 the company had annual commitments under non-cancellable operating leases as follows:

	Plant & Machinery	
	2000	1999
	£	£
Expiry date:		
Within one year	2,773	7,274
Between one and five years	13,447	25,837
	<u>16,220</u>	<u>33,111</u>

Platt & Hill Limited

Notes to the Abbreviated Financial Statements
for the year ended 31 December 2000

..... continued

18. Gross Cash Flows

	2000 £	1999 £
Returns on investments and servicing of finance		
Interest received	991	144
Interest paid	(63,848)	(74,673)
Interest element of finance lease rental payments	(2,780)	(3,944)
	<u>(65,637)</u>	<u>(78,473)</u>
Taxation		
Corporation tax paid	(5,123)	-
	<u></u>	<u></u>
Capital expenditure		
Payments to acquire tangible assets	(57,324)	(86,667)
Receipts from sales of tangible assets	25,000	19,351
	<u>(32,324)</u>	<u>(67,316)</u>
Financing		
Repayment of short term bank loan	(83,052)	(76,079)
Capital element of finance lease contracts	(19,386)	(17,963)
	<u>(102,438)</u>	<u>(94,042)</u>

19. Analysis of changes in net debt

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	474	418		892
Overdrafts	(322,701)	47,745		(274,956)
	<u>(322,227)</u>	<u>48,163</u>		<u>(274,064)</u>
Debt due within one year	(83,052)	83,052	(59,245)	(59,245)
Debt due after one year	(590,990)	-	59,245	(531,745)
Finance leases	(27,136)	19,386	(40,000)	(47,750)
	<u>(701,178)</u>	<u>102,438</u>	<u>(40,000)</u>	<u>(638,740)</u>
Net debt	<u>(1,023,405)</u>	<u>150,601</u>	<u>(40,000)</u>	<u>(912,804)</u>