

Registration number 60275

Platt & Hill Limited

Abbreviated accounts

for the year ended 31 December 2008

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Platt & Hill Limited

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Platt & Hill Limited

Directors' report for the year ended 31 December 2008

The directors present their report and the accounts for the year ended 31 December 2008.

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 showed an increase of 2% in the financial year, compared to 2007. Trading generally was satisfactory and but for the incidence of a significant bad debt would have resulted in a net profit before tax.

Stock levels have remained at a consistent level throughout the year. Carriage costs remain within budget and employee costs have fallen as a result of reduced numbers. In addition the company has ongoing projects to reduce energy consumption and waste creation which are proving beneficial both in terms of operational efficiencies and employee involvement. As a result cash flow remains satisfactory and the company continues to operate well within its agreed overdraft facility.

The company continues to benefit from very low levels of staff turnover and continues to invest in training and promoting new skills where it is felt to be necessary.

The concentration on the high quality of the goods that we produce has continued during the year which has assisted in reducing the costs of returns annually since 2000 to reach the current low level of 0.16% of turnover in 2008.

Turnover in the first quarter of 2009 is running at slightly less than 2008 as a result of the reduction in consumer spending that the UK is currently experiencing. Direct labour and management numbers have been reduced further to negate any potential effect of this upon operating profits.

The company remains in a strong position to see through the current recession and to emerge a stronger and more efficient operation in the future.

Results and dividends

The results for the year are set out on page 5.

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.

Platt & Hill Limited

Directors' report for the year ended 31 December 2008

..... continued

Directors

The directors who served during the year are as stated below:

A R Hill	A D Hill
J P Platt	J R Platt
D S Hill	
M D Iwanowytsch	

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom *Generally Accepted Accounting Practice* (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

In so far as the directors are aware:

- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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.

Platt & Hill Limited

**Directors' report
for the year ended 31 December 2008**

..... continued

This report was approved by the Board on 16 April 2009 and signed on its behalf by

M. Iwanowytch

**M D Iwanowytch
Company 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 5 to 18 together with the financial statements of Platt & Hill Limited for the year ended 31 December 2008 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 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 abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Wrigley Partington
Chartered Accountants and
Registered Auditor

16th April 2009

Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

Platt & Hill Limited

**Abbreviated profit and loss account
for the year ended 31 December 2008**

		Continuing operations	
		2008	2007
	Notes	£	£
Gross profit		1,645,224	1,718,505
Administrative expenses		(1,742,044)	(1,679,597)
Operating (loss)/profit	2	(96,820)	38,908
Other interest receivable and similar income	3	1,018	5,923
Interest payable and similar charges	4	(21,607)	(22,126)
(Loss)/profit on ordinary activities before taxation		(117,409)	22,705
Tax on (loss)/profit on ordinary activities	7	8,072	(6,568)
(Loss)/profit on ordinary activities after taxation		(109,337)	16,137
(Loss)/profit for the year		(109,337)	16,137
		<u> </u>	<u> </u>

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

The notes on pages 8 to 18 form an integral part of these financial statements.

Platt & Hill Limited

**Abbreviated balance sheet
as at 31 December 2008**

		2008		2007	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		834,166		855,288
Investments	9		3,051		3,051
			<u>837,217</u>		<u>858,339</u>
Current assets					
Stocks	10	475,170		458,195	
Debtors	11	1,446,648		1,537,487	
Cash at bank and in hand		27,084		216,790	
		<u>1,948,902</u>		<u>2,212,472</u>	
Creditors: amounts falling due within one year	12	<u>(1,573,041)</u>		<u>(1,692,647)</u>	
Net current assets			<u>375,861</u>		<u>519,825</u>
Total assets less current liabilities			1,213,078		1,378,164
Creditors: amounts falling due after more than one year	13		<u>(143,484)</u>		<u>(199,233)</u>
Net assets			<u>1,069,594</u>		<u>1,178,931</u>
Capital and reserves					
Called up share capital	14		99,200		99,200
Profit and loss account			970,394		1,079,731
Shareholders' funds	15		<u>1,069,594</u>		<u>1,178,931</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 16 April 2009 and signed on its behalf by



D S Hill
Director

The notes on pages 8 to 18 form an integral part of these financial statements.

Platt & Hill Limited

**Cash flow statement
for the year ended 31 December 2008**

	Notes	2008 £	2007 £
Reconciliation of operating (loss)/profit to net cash outflow from operating activities			
Operating (loss)/profit		(96,820)	38,908
Depreciation		65,398	79,656
(Increase) in stocks		(16,975)	(3,460)
Decrease in debtors		98,911	(62,787)
(Decrease) in creditors		(115,779)	(3,706)
Net cash outflow from operating activities		(65,265)	48,611

Cash flow statement

Net cash outflow from operating activities		(65,265)	48,611
Returns on investments and servicing of finance	19	(20,589)	(16,203)
Taxation	19	(6,568)	(2,504)
Capital expenditure	19	(44,276)	(24,030)
		(136,698)	5,874
Financing	19	(53,007)	(32,812)
Decrease in cash in the year		(189,705)	(26,938)

Reconciliation of net cash flow to movement in net debt (Note 20)

Decrease in cash in the year	(189,705)	(26,938)
Cash inflow from increase in debts and lease financing	53,007	32,812
Change in net debt resulting from cash flows	(136,698)	5,874
New finance leases and hire purchase contracts	-	(4,516)
Movement in net debt in the year	(136,698)	1,358
Net debt at 1 January 2008	(34,288)	(35,645)
Net debt at 31 December 2008	(170,986)	(34,287)

Platt & Hill Limited

Notes to the abbreviated financial statements for the year ended 31 December 2008

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board. The directors have adopted profit and loss account format 1 for this and future years and so a number of comparative figures have been amended.

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
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.

1.5. Investments

Fixed asset investments are stated at cost less provision for permanent 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 2008**

..... 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. Group 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 (loss)/profit

	2008	2007
	£	£
Operating (loss)/profit is stated after charging:		
Depreciation and other amounts written off tangible assets	80,398	79,656
Operating lease rentals		
- Motor vehicles	56,654	53,707
	<u>137,052</u>	<u>133,363</u>
and after crediting:		
Profit on disposal of tangible fixed assets	15,000	-
	<u>152,052</u>	<u>133,363</u>

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

3. Interest receivable and similar income	2008	2007
	£	£
Bank interest	1,018	5,922
Other interest	-	1
	<u>1,018</u>	<u>5,923</u>
4. Interest payable and similar charges	2008	2007
	£	£
Interest payable on loans < 1 yr	6,192	140
On loans repayable in five years or more	14,742	19,485
Lease finance charges and hire purchase interest	673	2,501
	<u>21,607</u>	<u>22,126</u>
5. Employees		
Number of employees	2008	2007
The average monthly numbers of employees (including the directors) during the year were:		
Management	20	21
Administration	11	15
Production	117	124
	<u>148</u>	<u>160</u>
Employment costs	2008	2007
	£	£
Wages and salaries	2,417,969	2,440,115
Social security costs	213,246	211,715
Pension costs-other operating charge	93,525	100,275
	<u>2,724,740</u>	<u>2,752,105</u>

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

5.1. Directors' emoluments	2008	2007
	£	£
Remuneration and other emoluments	288,482	311,780
Pension contributions	41,145	52,848
	<u>329,627</u>	<u>364,628</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>4</u>	<u>4</u>
Highest paid director	£	£
Amounts included above:		
Emoluments and other benefits	115,770	135,005
Pension contributions	21,729	21,052
	<u>137,499</u>	<u>156,057</u>

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 £93,525 (2007 : £100,275). There is no ongoing commitment to pay contributions to the scheme.

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

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

Analysis of charge in period	2008	2007
	£	£
Current tax		
UK corporation tax	<u>(8,072)</u>	<u>6,568</u>

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (20 per cent). The differences are explained below:

	2008	2007
	£	£
(Loss)/profit on ordinary activities before taxation	<u>(117,409)</u>	<u>22,705</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (31 December 2007 : 20%)	(23,482)	4,541
Effects of:		
Expenses not deductible for tax purposes	2,525	8,348
Capital allowances for period in excess of depreciation	(7,058)	(1,358)
Utilisation of tax losses	-	(4,878)
Restriction on utilisation of tax losses	18,301	-
Marginal relief / change in rate of taxation	<u>1,642</u>	<u>(85)</u>
Current tax charge for period	<u>(8,072)</u>	<u>6,568</u>

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

8. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost					
At 1 January 2008	1,106,483	2,977,950	303,513	524,030	4,911,976
Additions	-	49,800	380	9,096	59,276
Disposals	-	(60,000)	-	-	(60,000)
At 31 December 2008	<u>1,106,483</u>	<u>2,967,750</u>	<u>303,893</u>	<u>533,126</u>	<u>4,911,252</u>
Depreciation					
At 1 January 2008	389,083	2,876,218	280,788	510,599	4,056,688
On disposals	-	(60,000)	-	-	(60,000)
Charge for the year	27,660	43,512	2,996	6,230	80,398
At 31 December 2008	<u>416,743</u>	<u>2,859,730</u>	<u>283,784</u>	<u>516,829</u>	<u>4,077,086</u>
Net book values					
At 31 December 2008	<u>689,740</u>	<u>108,020</u>	<u>20,109</u>	<u>16,297</u>	<u>834,166</u>
At 31 December 2007	<u>717,400</u>	<u>101,732</u>	<u>22,725</u>	<u>13,431</u>	<u>855,288</u>

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

Asset description	2008		2007	
	Net	Depreciation	Net	Depreciation
	book value	charge	book value	charge
	£	£	£	£
Plant and machinery	13,800	8,304	22,104	8,304
Equipment	6,008	1,218	7,226	1,218
	<u>19,808</u>	<u>9,522</u>	<u>29,330</u>	<u>9,522</u>

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

9. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 January 2008		
At 31 December 2008	8,100	8,100
Provisions for diminution in value:		
At 1 January 2008		
At 31 December 2008	5,049	5,049
Net book values		
At 31 December 2008	3,051	3,051
At 31 December 2007	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	Dormant	Ordinary	100%
David Moore & Co Ltd	England & Wales	Dormant	Ordinary	100%

The aggregate amount of capital and reserves of each subsidiary at 31st December 2007 were equal to the amount of the investments shown above.

10. Stocks	2008 £	2007 £
Raw materials and consumables	421,573	420,454
Finished goods and goods for resale	53,597	37,741
	475,170	458,195

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

11. Debtors	2008 £	2007 £
Trade debtors	1,300,032	1,395,721
Other debtors	15,122	-
Prepayments and accrued income	131,494	141,766
	<u>1,446,648</u>	<u>1,537,487</u>
12. Creditors: amounts falling due within one year	2008 £	2007 £
Bank loan	51,436	47,994
Net obligations under finance leases and hire purchase contracts	3,150	3,851
Trade creditors	1,061,833	1,075,210
Amounts owed to connected companies	3,051	3,051
Corporation tax	-	6,568
Other taxes and social security costs	223,507	272,407
Other creditors	71	74
Accruals and deferred income	229,993	283,492
	<u>1,573,041</u>	<u>1,692,647</u>

Platt & Hill Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

13. Creditors: amounts falling due after more than one year	2008 £	2007 £
Bank loan	141,696	194,295
Net obligations under finance leases and hire purchase contracts	1,788	4,938
	<u>143,484</u>	<u>199,233</u>
Loans		
Repayable in one year or less, or on demand (Note 12)	51,436	47,994
Repayable between one and two years	55,650	52,012
Repayable between two and five years	86,046	142,283
	<u>193,132</u>	<u>242,289</u>

The Bank loan and overdraft facility are secured by an unscheduled mortgage debenture, incorporating a fixed and floating charge over all current and future assets of the company and first legal charges over the company's land and buildings. The bank loan is repayable in monthly installments, with an expiry date of December 2012. Interest is charged at an annual rate being the higher of 1.85% above the bank's base rate and 6%.

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

Repayable within one year	3,150	3,851
Repayable between one and five years	1,788	4,938
	<u>4,938</u>	<u>8,789</u>

Finance lease and hire purchase creditors are secured on the assets financed, details of which are shown in note 9 to the financial statements.

14. Share capital	2008 £	2007 £
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 2008**

..... continued

15. Reconciliation of movements in shareholders' funds	2008	2007
	£	£
(Loss)/profit for the year	(109,337)	16,137
Opening shareholders' funds	1,178,931	1,162,794
Closing shareholders' funds	<u>1,069,594</u>	<u>1,178,931</u>

16. Financial commitments

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	2008	Other
	£	2007
		£
Expiry date:		
Within one year	11,916	6,208
Between one and five years	40,470	37,825
	<u>52,386</u>	<u>44,033</u>

18. Related party transactions

The company is associated with Mereda Limited, a company incorporated in the United Kingdom, by way of common directors. During the year the company sold goods and services to Mereda Limited with a value of £183,140, the balance owing to Platt & Hill Limited at the year end was £193,034.69. Mereda Limited went into liquidation during the year and full provision has been made in the accounts for the irrecoverable balance.

Platt & Hill Limited

Notes to the abbreviated financial statements
for the year ended 31 December 2008

..... continued

19. Gross cash flows

	2008 £	2007 £
Returns on investments and servicing of finance		
Interest received	1,018	5,923
Interest paid	(20,934)	(19,625)
Interest element of finance lease rental payments	(673)	(2,501)
	<u>(20,589)</u>	<u>(16,203)</u>
Taxation		
Corporation tax paid	<u>(6,568)</u>	<u>(2,504)</u>
Capital expenditure		
Payments to acquire tangible assets	(59,276)	(24,030)
Receipts from sales of tangible assets	15,000	-
	<u>(44,276)</u>	<u>(24,030)</u>
Financing		
New long term bank loan	-	265,000
Repayment of long term bank loan	(49,157)	(285,440)
Capital element of finance lease contracts	(3,850)	(12,372)
	<u>(53,007)</u>	<u>(32,812)</u>

20. Analysis of changes in net funds

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	216,790	(189,706)		27,084
Debt due within one year	(47,994)	49,157	(52,599)	(51,436)
Debt due after one year	(194,295)	-	52,599	(141,696)
Finance leases and hire purchase contracts	(8,789)	3,850	-	(4,939)
	<u>(251,078)</u>	<u>53,007</u>	<u>-</u>	<u>(198,071)</u>
Net funds	<u>(34,288)</u>	<u>(136,699)</u>	<u>-</u>	<u>(170,987)</u>