

ANGLO PORTUGUESE CORK CO LIMITED

DIRECTORS' REPORT AND ACCOUNTS

**FOR THE YEAR
ENDED 31ST OCTOBER 1999**



ANGLO PORTUGUESE CORK CO LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | Mr C.H. Neilson Mrs E. Neilson Mr G.C. Neilson |
| Secretary | Mr G.C. Neilson |
| Company number | 889809 |
| Registered office | 1 Station Parade Beaconsfield Buckinghamshire HP9 2PB |
| Auditors | Myers Clark Woodford House Woodford Road Watford Herts. WD1 1DL |
| Solicitors | B.P. Collins and Co Collins House 32-38 Station Road Gerrards Cross Buckinghamshire S49 8EL |
| Bankers | National Westminster Bank Plc 1 Penn Road Beaconsfield Buckinghamshire HP9 2PU |

ANGLO PORTUGUESE CORK CO LIMITED

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ANGLO PORTUGUESE CORK CO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST OCTOBER 1999

The directors present their report and the audited accounts for the company for the year ended 31st October 1999.

Principal activities

The company's principal activity during the year continued to be that of the importation of cork.

Directors and their interests

The directors who held office during the year and their beneficial interests in the company's issued share capital are given below:

| Name of director | Share type | At 31st October 1999 | At 1st November 1998 |
|------------------|---------------------------|----------------------|----------------------|
| Mr C.H. Neilson | Preferred ordinary shares | 250 | 250 |
| Mrs E. Neilson | Preferred ordinary shares | 250 | 250 |
| Mr G.C. Neilson | Ordinary shares | 1500 | 1500 |

Statement of directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those accounts the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts 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 enable them to ensure that the accounts 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.

ANGLO PORTUGUESE CORK CO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST OCTOBER 1999

Auditors

A resolution to re-appoint Myers Clark Chartered Accountants as auditors will be put to the members at the Annual General Meeting.

Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

By order of the Board



Mr G.C. Neilson, Secretary
9th February 2000

1 Station Parade
Beaconsfield
Buckinghamshire
HP9 2PB

AUDITORS' REPORT TO THE

SHAREHOLDERS OF ANGLO PORTUGUESE CORK CO LIMITED

We have audited the accounts on pages 4 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st October 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Myers Clark
Chartered Accountants and Registered Auditors
Woodford House
Woodford Road
Watford
Herts.
WD1 1DL
Date: 9th February 2000

ANGLO PORTUGUESE CORK CO LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST OCTOBER 1999

| | Notes | 1999 £ | 1998 £ |
|--|-------|-----------|-----------|
| Turnover | 2 | 478,138 | 247,545 |
| Cost of sales | | (394,026) | (192,212) |
| Gross profit | | 84,112 | 55,333 |
| Administrative expenses | | (91,756) | (89,899) |
| | | (7,644) | (34,566) |
| Other operating income | | 20,000 | 48,000 |
| Operating profit | 3 | 12,356 | 13,434 |
| Interest receivable | | 1,253 | 810 |
| Profit on ordinary activities before taxation | | 13,609 | 14,244 |
| Tax on profit on ordinary activities | 5 | (3,173) | (3,092) |
| Profit for the financial year | | 10,436 | 11,152 |
| Dividends | 6 | (30,000) | (10,000) |
| Retained loss/profit for the year | | (19,564) | 1,152 |
| Retained profit brought forward | | 15,785 | 14,633 |
| Retained loss/profit carried forward | | (3,779) | 15,785 |

There were no recognised gains or losses for 1999 or 1998 other than those included in the profit and loss account.

ANGLO PORTUGUESE CORK CO LIMITED

BALANCE SHEET

AS AT 31ST OCTOBER 1999

| | Notes | £ | 1999 £ | 1998 £ |
|---|-------|-----------|-----------|-----------|
| Fixed assets | | | | |
| Tangible assets | 7 | | 19,996 | 23,138 |
| Current assets | | | | |
| Stocks | | - | 8,500 | |
| Debtors | 8 | 69,651 | 73,011 | |
| Cash at bank and in hand | | 20,752 | 2,981 | |
| | | 90,403 | 84,492 | |
| Creditors: amounts falling due within one year | 9 | (112,178) | (89,845) | |
| Net current liabilities | | | (21,775) | (5,353) |
| Total assets less current liabilities | | | (1,779) | 17,785 |
| Capital and reserves | | | | |
| Share capital | 10 | 2,000 | 2,000 | |
| Profit and loss account | | (3,779) | 15,785 | |
| Shareholders' funds | | | (1,779) | 17,785 |

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 1999).

These accounts were approved by the board on 9th February 2000 and signed on its behalf by:


Mr G.C. Neilson
Director

ANGLO PORTUGUESE CORK CO LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1999

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Depreciation

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, by reducing balance method over their expected useful lives:

| | |
|-------------------------|------------------------|
| Motor vehicles | - 25% reducing balance |
| Furniture and equipment | - 10% reducing balance |

Stocks

Stocks are stated at the lower of cost and net realisable value as follows:

Raw materials - purchase cost, including overheads incurred in bringing the stock to its present location and condition, on a first-in, first-out basis.

Work in progress and finished goods - cost of direct materials and labour plus attributable overheads based on normal levels of activity.

Net realisable value is based upon the estimated selling price less further costs expected to be incurred to completion and disposal.

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 crystallise.

Leased assets

Leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

ANGLO PORTUGUESE CORK CO LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1999

3 Operating profit

The operating profit is stated after charging or crediting:

| | 1999 | 1998 |
|--|--------------|--------------|
| | £ | £ |
| Depreciation of tangible fixed assets: | | |
| -owned assets | 5,113 | 3,926 |
| Auditors' remuneration | 2,750 | 2,550 |
| | <u>2,750</u> | <u>2,550</u> |

4 Directors' remuneration

| | 1999 | 1998 |
|----------------------|---------------|---------------|
| | £ | £ |
| Aggregate emoluments | 41,739 | 40,261 |
| | <u>41,739</u> | <u>40,261</u> |

5 Taxation

| | 1999 | 1998 |
|---|--------------|--------------|
| | £ | £ |
| Based on the profit for the year: | | |
| UK corporation tax at 21%/20% (1998: 21%) | 3,175 | 3,115 |
| Prior periods | | |
| UK corporation tax | (2) | (23) |
| | <u>3,173</u> | <u>3,092</u> |

6 Dividends

| | 1999 | 1998 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Ordinary dividends - paid | 22,500 | 7,500 |
| Preferred ordinary dividends - paid | 7,500 | 2,500 |
| | <u>30,000</u> | <u>10,000</u> |

ANGLO PORTUGUESE CORK CO LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1999

7 Tangible fixed assets

| | Plant and machinery etc £ | Total £ |
|-----------------------------|------------------------------------|---------------|
| Cost | | |
| At 1st November 1998 | 32,966 | 32,966 |
| Additions | 1,971 | 1,971 |
| At 31st October 1999 | 34,937 | 34,937 |
| Depreciation | | |
| At 1st November 1998 | 9,828 | 9,828 |
| Charge for the year | 5,113 | 5,113 |
| At 31st October 1999 | 14,941 | 14,941 |
| Net book value | | |
| At 31st October 1999 | 19,996 | 19,996 |
| <i>At 31st October 1998</i> | <i>23,138</i> | <i>23,138</i> |

8 Debtors

| | 1999 £ | 1998 £ |
|---------------|---------------|---------------|
| Trade debtors | 63,942 | 67,140 |
| Other debtors | 5,709 | 5,871 |
| | 69,651 | 73,011 |

Debtors include an amount of £2,053 (1998: £2,053) falling due after more than one year.

9 Creditors: amounts falling due within one year

| | 1999 £ | 1998 £ |
|---|----------------|---------------|
| Trade creditors | 59,287 | 61,658 |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | 31,043 | 16,375 |
| Accruals and deferred income | 7,722 | 3,748 |
| Corporation tax | 3,175 | 150 |
| Other taxes and social security | 10,951 | 7,914 |
| | 112,178 | 89,845 |

ANGLO PORTUGUESE CORK CO LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1999

| 10 | Share capital | 1999 £ | 1998 £ |
|----|--|--------------|--------------|
| | Authorised | | |
| | 1,500 Ordinary shares of £1.00 each | 1,500 | 1,500 |
| | 500 Preferred ordinary shares of £1.00 each | 500 | 500 |
| | | <u>2,000</u> | <u>2,000</u> |
| | Allotted | | |
| | 1,500 Allotted, called up and fully paid ordinary shares of £1.00 each | 1,500 | 1,500 |
| | 500 Allotted, called up and fully paid preferred ordinary shares of £1.00 each | 500 | 500 |
| | | <u>2,000</u> | <u>2,000</u> |

11 Operating lease commitments

At 31st October 1999 the company had annual commitments under non-cancellable operating leases as set out below:

| | 1999 £ | 1998 £ |
|--------------------------------|--------------|--------------|
| Operating leases which expire: | | |
| Between two and five years | 8,000 | 8,000 |
| | <u>8,000</u> | <u>8,000</u> |

12 Related parties

The shareholders of the company have a controlling interest in CML Components Limited and the balance owed to this company at 31st October 1999 was £31,043 (1998 - £16,375)

During the year the company received a management charge of £20,000 (1998 - £48,000) from CML Components Ltd.