

**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2002**



# **THERMOFROST CRYO PLC AND SUBSIDIARIES**

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**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**COMPANY INFORMATION**

**COMPANY NUMBER: 1036288**

**DIRECTORS**

V A D'CRUZ  
A D BARWICK  
P J SLOPER  
G C BURROWS

**SECRETARY**

J E COPPING

**REGISTERED OFFICE**

ERNEST AVENUE  
WEST NORWOOD  
LONDON  
SE27 0DA

**AUDITORS**

MAZARS NEVILLE RUSSELL  
NEVILLE RUSSELL HOUSE  
1 TELFORD WAY  
LUTON  
BEDFORDSHIRE  
LU1 1HT

**BANKERS**

NATIONAL WESTMINSTER BANK PLC  
BARCLAYS BANK PLC  
ALLIANCE & LEICESTER PLC

## **THERMOFROST CRYO PLC AND SUBSIDIARIES**

### **REPORT OF THE DIRECTORS**

The directors present their report and the financial statements for the year ended 31 March 2002.

#### **STATEMENT OF 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 affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- 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.

#### **REVIEW OF THE BUSINESS**

The principal activity of the group continued to be dealing in refrigeration and air conditioning components and related equipment. The directors were satisfied with the level of sales in difficult conditions. Both the level of business and the year end financial position were satisfactory and the directors are confident that the present level of activity will be sustained for the foreseeable future.

#### **QUALITY ASSURANCE**

The company's continued commitment to a high standard of customer service has resulted in retaining Registered Firm status under BS.EN.ISO9002:1994.

#### **PAYMENT OF CREDITORS**

The group does not have a written policy on the payment of trade creditors. However, the group intends to pay all trade creditors promptly within the payment terms agreed with them. The number of creditor days at the year end was 48 (2001: 42) in respect of both the group and company.

#### **RESULTS AND DIVIDENDS**

The results of the company and group for the year ended 31 March 2002 are set out in the financial statements on pages 6 to 20. In particular, the operating profit has fallen from £526,014 to £379,208. An interim dividend of £nil (2001: £0.48) per share on the issued ordinary share capital amounting to £nil (2001: £302,800) was paid during the year. The directors do not recommend the payment of a final dividend (2001: nil).

# **THERMOFROST CRYO PLC AND SUBSIDIARIES**

## **REPORT OF THE DIRECTORS (continued)**

### **DIRECTORS**

The directors set out below have held office during the whole of the period from 1 April 2001 to the date of this report. The interests of the directors holding office on 31 March 2002 in the shares of the company according to the register of directors' interests were:

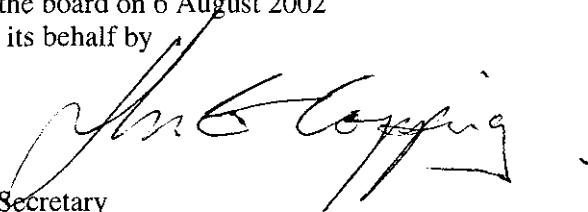
	<b>Ordinary shares of 25p each At 31 March 2002</b>	<b>Ordinary shares of 25p each At 1 April 2001</b>
V A D'Cruz (Chairman) (In trust)	501,654	501,654
A D Barwick	64,680	64,680
P J Sloper	54,000	54,000
M A Croucher (resigned 31 March 2002)	-	-
G C Burrows (appointed 31 March 2002)	-	-

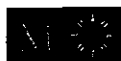
### **AUDITORS**

The company's auditors, Mazars Neville Russell, have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming annual general meeting.

Approved by the board on 6 August 2002  
and signed on its behalf by

J E Copping, Secretary





**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
THERMOFROST CRYO PLC**

We have audited the financial statements on pages 6 to 20. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

**Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. Our responsibilities do not extend to any other information.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 information in the financial statements.



**Opinion**

In our opinion the financial statements give a true and fair view of the state of the affairs of the company and the group as at 31 March 2002 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MAZARS NEVILLE RUSSELL  
CHARTERED ACCOUNTANTS  
and Registered Auditors  
Neville Russell House  
1 Telford Way  
Luton  
Bedfordshire LU1 1HT

Date: 6 August 2002

**THERMOFROST CRYO PLC AND SUBSIDIARIES**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2002**

	Notes	2002 £	2001 £
<b>Turnover</b>	2	8,954,764	8,723,641
Cost of sales		(6,035,617)	(5,736,579)
<b>Gross profit</b>		2,919,147	2,987,062
Distribution and selling expenses		(549,790)	(536,775)
Administrative expenses		(2,019,413)	(1,962,193)
Other operating income		29,264	37,920
<b>Operating profit</b>		379,208	526,014
Interest receivable and similar income		8,724	5,698
Interest payable and similar charges		(116,393)	(131,432)
<b>Profit on ordinary activities before taxation</b>	3	271,539	400,280
Taxation on profit on ordinary activities	6	(89,358)	(129,291)
<b>Profit for the financial year after taxation</b>		182,181	270,989
Dividends paid	8	-	(302,800)
<b>Retained profit/(loss) for the year</b>	7,17	182,181	(31,811)

The group's turnover and expenses all relate to continuing operations.

The group has no recognised gains and losses during the years other than as set out above.



# THERMOFROST CRYO PLC AND SUBSIDIARIES

## BALANCE SHEETS AT 31 MARCH 2002

	Notes	GROUP		COMPANY	
		2002 £	2001 £	2002 £	2001 £
<b>Fixed assets</b>					
Tangible assets	9	1,203,561	1,225,123	1,203,561	1,225,123
Investments:					
group companies	10	-	-	105	105
trade investment	11	650	650	650	650
		<u>1,204,211</u>	<u>1,225,773</u>	<u>1,204,316</u>	<u>1,225,878</u>
<b>Current assets</b>					
Stocks	12	1,890,787	1,967,760	1,890,787	1,967,760
Debtors	13	1,983,736	2,013,799	1,983,732	2,013,799
Cash at bank and in hand		24,967	39,079	24,947	38,209
		<u>3,899,490</u>	<u>4,020,638</u>	<u>3,899,466</u>	<u>4,019,768</u>
<b>Creditors: amounts falling due within one year</b>	14	(3,305,641)	(3,630,561)	(3,619,577)	(3,943,651)
<b>Net current assets</b>		<u>593,849</u>	<u>390,077</u>	<u>279,889</u>	<u>76,117</u>
<b>Total assets less current liabilities</b>		<u>1,798,060</u>	<u>1,615,850</u>	<u>1,484,205</u>	<u>1,301,995</u>
<b>Provisions for liabilities and charges</b>	15	(17,750)	(17,721)	(17,750)	(17,721)
<b>Net assets</b>		<u><u>1,780,310</u></u>	<u><u>1,598,129</u></u>	<u><u>1,466,455</u></u>	<u><u>1,284,274</u></u>
<b>Capital and reserves</b>					
Called up share capital	16	157,709	157,709	157,709	157,709
Profit & loss reserve	17	1,498,374	1,316,193	1,184,519	1,002,338
Capital redemption reserve	17	100,529	100,529	100,529	100,529
Share premium account	17	23,698	23,698	23,698	23,698
<b>Shareholders' funds</b>	18	<u><u>1,780,310</u></u>	<u><u>1,598,129</u></u>	<u><u>1,466,455</u></u>	<u><u>1,284,274</u></u>

Approved by the board on 6 August 2002  
and signed on its behalf by



V A D'Cruz  
Director



A D Barwick  
Director

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**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2002**

	Notes	2002 £	2001 £
Cash flow from operating activities	19a	703,733	447,997
Returns on investments and servicing of finance	19b	(107,669)	(125,734)
Taxation		(58,883)	(197,750)
Capital expenditure and financial investment	19b	(145,378)	(269,408)
Equity dividends paid		-	(302,800)
Cash inflow/(outflow) before use of liquid resources and financing		391,803	(447,695)
Financing	19b	-	1,547
Increase/(decrease) in cash in the year		391,803	(446,148)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

Increase/(decrease) in cash in the year		391,803	(446,148)
Change in net debt resulting from cash flows	19c	391,803	(446,148)
Movement in net debt in the year		391,803	(446,148)
Net debt at 1 April 2001	19c	(2,173,689)	(1,727,541)
Net debt at 31 March 2002	19c	(1,781,886)	(2,173,689)

# **THERMOFROST CRYO PLC AND SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2002**

#### **1 ACCOUNTING POLICIES**

- a) The financial statements have been prepared in accordance with applicable accounting standards.

- b) *Basis of preparation of group financial statements*

The consolidated financial statements, which are prepared under the historical cost convention, include the financial statements of the company and its subsidiaries, made up to 31 March 2002. No profit and loss account is presented for Thermofrost Cryo Plc as provided by S230 of the Companies Act 1985.

The profits and losses of the subsidiary companies are consolidated from the date of acquisition. The difference between the cost of acquisition of shares in the subsidiaries and the amount attributed to their net tangible assets at the effective date of purchase is included as goodwill arising on consolidation.

- c) *Turnover*

Turnover represents the amounts receivable, excluding value added tax, in respect of the sale of *goods and services to customers outside the group.*

- d) *Depreciation*

Depreciation is calculated to write off the cost of fixed assets other than leasehold properties and certain fixtures and fittings on a reducing balance basis over their effective useful lives. Leasehold property is written off on a straight line basis over 50 years. Certain fixtures and fittings are written off on a straight line basis over their estimated useful lives.

- e) *Stocks*

Stocks are stated at the lower of cost and estimated net realisable value. Cost is determined on an average cost basis. Provision is made for slow moving, defective and obsolete stocks.

- f) *Deferred taxation*

Deferred tax is provided in respect of the tax effect of all timing differences.

- g) *Foreign currencies*

Assets, liabilities, revenue and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which the transaction occurs, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date.

In the case of forward contracts in respect of trading transactions, the rates of exchange specified in those contracts are used.

- h) *Investments*

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

# THERMOFROST CRYO PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2002

#### 1 ACCOUNTING POLICIES (continued)

i) Warranty liability

An accrual is made for the estimated liability on all products which are still the subject of warranty and service agreements.

j) Leases

Assets held under finance leases, and similar hire purchase contracts, are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount over the shorter of the lease term and the useful life of the asset.

Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable. Hire purchase interest is charged to the profit and loss account on a straight line basis.

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

k) Pension

Contributions payable to the group's defined contribution pension scheme are charged to the profit and loss account in the year to which they relate.

l) Research and development expenditure

Research and development expenditure is written off in the profit and loss account in the year in which it is incurred.

#### 2 TURNOVER

The turnover and pre-tax profit is attributable to the principal activity, the sale of refrigeration and air conditioning components and related equipment.

	2002 £	2001 £
The geographical analysis of turnover is given below:		
United Kingdom	8,873,723	8,643,828
Overseas	81,041	79,813
	<u>8,954,764</u>	<u>8,723,641</u>

The group has only common costs and all the turnover is supported by all the net assets of the group irrespective of sales destination.

#### 3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2002 £	2001 £
The profit on ordinary activities before taxation is stated:		
After crediting:		
Interest receivable	<u>8,724</u>	<u>5,698</u>

# **THERMOFROST CRYO PLC AND SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2002**

#### **3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (continued)**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
After charging:		
Loss on sale of fixed assets	7,381	623
Depreciation of owned tangible assets	159,559	139,119
Audit fee - group (including company)	13,000	13,000
- other services	3,750	4,125
Staff costs (note 5)	1,541,320	1,476,223
Operating lease rentals - land and buildings	53,207	59,000
Interest payable:		
Bank overdrafts and other loans	116,393	131,432

#### **4 DIRECTORS**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
EMOLUMENTS		
Management services	256,799	239,511
Pension scheme contributions	36,779	39,794
Total emoluments	293,578	279,305

The emoluments of directors disclosed above include the following amounts paid to the highest paid director:

	<b>Highest paid director</b>	
	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Emoluments	96,752	89,537
Contributions to money purchase schemes	20,016	18,099

During the period the following number of other directors:

	<b>Number</b>	<b>Number</b>
Accrued benefits under money purchase pension schemes	3	3

#### **TRANSACTIONS WITH DIRECTORS**

The group trades with Madics Systems Limited under normal trade terms and conditions. Mr A D Barwick is a director in both companies.

**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2002**

<b>5 STAFF COSTS</b>	<b>2002 £</b>	<b>2001 £</b>
Wages and salaries	1,050,077	1,160,290
Social security costs	123,624	131,657
Other pension costs (see note 20)	191,922	184,276
	<u>1,541,320</u>	<u>1,476,223</u>

The average number of persons employed by the group (including directors) during the year was as follows:

	<b>Number 2002</b>	<b>Number 2001</b>
Management	5	5
Administration	19	19
Sales	19	19
	<u>43</u>	<u>43</u>
<b>TOTAL EMPLOYEES</b>	<u>43</u>	<u>43</u>

<b>6 TAXATION</b>	<b>2002 £</b>	<b>2001 £</b>
Corporation tax - current year	89,666	122,203
- (over)/under provision in previous year	(337)	2,399
Deferred taxation (note 15)	29	4,689
	<u>89,358</u>	<u>129,291</u>

**7 PROFIT OF PARENT COMPANY**

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's retained profit for the financial year was £182,181 (2000: loss £31,811).

<b>8 DIVIDENDS</b>	<b>2002 £</b>	<b>2001 £</b>
Ordinary dividends:		
Interim dividend paid of £nil (2001: £0.48) per share	<u>-</u>	<u>302,800</u>

**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2002**

**9 TANGIBLE FIXED ASSETS**

**GROUP AND COMPANY**

	<b>Freehold properties £</b>	<b>Long-term leasehold properties £</b>	<b>Fixtures fittings &amp; equipment £</b>	<b>Motor vehicles £</b>	<b>Plant &amp; machinery £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 April 2001	779,056	416,335	366,778	355,954	78,224	1,996,347
Additions	18,074	3,338	23,395	156,744	177	201,728
Disposals	(16,092)	-	(19,947)	(183,734)	-	(219,773)
At 31 March 2002	<u>781,038</u>	<u>419,673</u>	<u>370,226</u>	<u>328,964</u>	<u>78,401</u>	<u>1,978,302</u>
<b>Accumulated depreciation</b>						
At 1 April 2001	194,026	109,767	250,678	153,408	63,345	771,224
Charge for the year	24,751	18,457	36,162	76,452	3,737	159,559
Eliminated on disposals	(8,046)	-	(19,947)	(128,049)	-	(156,042)
At 31 March 2002	<u>210,731</u>	<u>128,224</u>	<u>266,893</u>	<u>101,811</u>	<u>67,082</u>	<u>774,741</u>
<b>Net book amount</b>						
At 31 March 2002	<u>570,307</u>	<u>291,449</u>	<u>103,333</u>	<u>227,153</u>	<u>11,319</u>	<u>1,203,561</u>
At 31 March 2001	<u>585,030</u>	<u>306,568</u>	<u>116,100</u>	<u>202,546</u>	<u>14,879</u>	<u>1,225,123</u>
Depreciation rates	2% & 10%	2% & 10%	20%, 25% & 33%	30%	20% & 25%	

# **THERMOFROST CRYO PLC AND SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2002**

#### **10 FIXED ASSET INVESTMENTS - GROUP COMPANIES**

<b>COMPANY</b>	<b>£</b>
<b>Cost</b>	
At 1 April 2001 and 31 March 2002	3,036
<b>Provision for diminution in value</b>	
At 1 April 2001 and 31 March 2002	2,931
<b>Net book amounts</b>	
At 31 March 2001 and 31 March 2002	105

Details of the company's subsidiaries at 31 March 2002 are:

<b>Name</b>	<b>Class of shares held</b>	<b>Percentage held by the company</b>
Cryo Limited	Ordinary	100%
RSM Products Limited	Ordinary	100%
The Specialists Limited	Ordinary	100%
Unitec Limited	Ordinary	100%
United Termofrost Limited	Ordinary	100%

All of the companies shown above were incorporated in the United Kingdom and have ceased to trade.

#### **11 FIXED ASSET INVESTMENTS - TRADE INVESTMENTS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest in trade investments at cost	650	650	650	650

Details of the company's trade investments at 31 March 2002 were:

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares held</b>	<b>Percentage held by the company</b>	
			<b>2002</b>	<b>2001</b>
Madics Systems Limited	England	Ordinary	30%	33.3%

Madics Systems Limited has been excluded from consolidation because the interest is held exclusively for trade investment and the group does not have any influence over the management of that company. The nature of business of the company is software consultancy and supply.



**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2002**

**12 STOCKS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Finished goods and goods for resale	1,832,000	1,913,417	1,832,000	1,913,417
Goods in transit	58,787	54,343	58,787	54,343
	<u>1,890,787</u>	<u>1,967,760</u>	<u>1,890,787</u>	<u>1,967,760</u>

**13 DEBTORS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	1,905,568	1,882,121	1,905,568	1,882,121
Other debtors	50,686	109,778	50,682	109,778
Prepayments and accrued income	27,482	21,900	27,482	21,900
	<u>1,983,736</u>	<u>2,013,799</u>	<u>1,983,732</u>	<u>2,013,799</u>

Trade debtors and bank overdraft and loans (included within note 14 below) as at 31 March 2002 include £1,154,373 (2001: £1,381,912) of debts factored with recourse.

# THERMOFROST CRYO PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2002

#### 14 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	GROUP		COMPANY	
	2002 £	2001 £	2002 £	2001 £
Bank overdraft and loans	1,806,853	2,212,768	1,806,853	2,212,768
Trade creditors	1,015,309	854,024	1,015,309	854,024
Amounts owed to group companies	-	-	313,936	313,090
Corporation tax	89,329	58,883	89,329	58,883
Other taxation and social security	226,603	239,470	226,603	239,470
Other creditors	35,783	75,519	35,783	75,519
Accruals and deferred income	131,764	189,897	131,764	189,897
	<u>3,305,641</u>	<u>3,630,561</u>	<u>3,619,577</u>	<u>3,943,651</u>

The bank overdraft and loans are secured by fixed charges on the freehold and leasehold properties and trade debtors by a floating charge on the assets of the company.

Bank overdraft and other loans and trade debtors (within note 13 above) as at 31 March 2002 include £1,154,373 (2001: £1,381,912) of debt factored with recourse.

#### 15 PROVISIONS FOR LIABILITIES AND CHARGES

##### DEFERRED TAXATION

The Group	2002		2001	
	Amount provided £	Amount not provided £	Amount provided £	Amount not provided £
Tax effect of timing differences arising on:				
Excess of tax allowances over depreciation	<u>17,750</u>	<u>-</u>	<u>17,721</u>	<u>-</u>

##### The Company

Tax effect of timing differences arising on:				
Excess of tax allowances over depreciation	<u>17,750</u>	<u>-</u>	<u>17,721</u>	<u>-</u>

##### DEFERRED TAXATION MOVEMENTS

	2002 £	2001 £
Balance at 1 April 2001	17,721	13,032
Transfer from profit and loss account	29	4,689
Balance at 31 March 2002	<u>17,750</u>	<u>17,721</u>

**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2002**

**16 SHARE CAPITAL**

Share capital at 31 March 2002 and 31 March 2001 was as follows:

	Authorised		Allotted, issued and fully paid	
	2002	2001	2002	2001
	£	£	£	£
Ordinary shares of 25p each	500,000	500,000	157,709	157,709

**17 RESERVES**

The Group	Share premium account £	Capital redemption reserve £	Profit and loss reserve £
At 1 April 2001	23,698	100,529	1,316,193
Retained profit for the year	-	-	182,181
At 31 March 2002	23,698	100,529	1,498,374
<b>The Company</b>			
	Share premium account £	Capital redemption reserve £	Profit and loss reserve £
At 1 April 2001	23,698	100,529	1,002,338
Retained profit for the year	-	-	182,181
At 31 March 2002	23,698	100,529	1,184,519

**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2002**

**18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Profit for the financial year	182,181	270,989	182,181	270,989
Dividends paid	-	(302,800)	-	(302,800)
	<u>182,181</u>	<u>(31,811)</u>	<u>182,181</u>	<u>(31,811)</u>
New share capital subscribed	-	1,547	-	1,547
	<u>-</u>	<u>1,547</u>	<u>-</u>	<u>1,547</u>
Net increase/(decrease) to shareholders' funds	182,181	(30,264)	182,181	(30,264)
Opening shareholders' funds	1,598,129	1,628,393	1,284,274	1,314,538
Closing shareholders' funds	<u>1,780,310</u>	<u>1,598,129</u>	<u>1,466,455</u>	<u>1,284,274</u>

**19a RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOW**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Operating profit	379,208	526,014
Depreciation charges	159,559	139,119
Loss on sale of tangible fixed assets	7,381	623
Decrease in stocks	76,973	249,637
Decrease/(increase) in debtors	30,063	(145,905)
Increase/(decrease) in creditors	50,549	(321,491)
	<u>703,733</u>	<u>447,997</u>
Net cash inflow from operating activities	<u>703,733</u>	<u>447,997</u>

**THERMOFROST CRYO PLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2002**

**19b ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

<b>Returns on investment and servicing of finance</b>	<b>2002 £</b>	<b>2001 £</b>
Interest received	8,724	5,698
Interest paid	(116,393)	(131,432)
	<u>          </u>	<u>          </u>
Net cash outflow for returns on investments and servicing of finance	<u>(107,669)</u>	<u>(125,734)</u>
 <b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(201,728)	(303,853)
Sale of tangible fixed assets	56,350	34,445
	<u>          </u>	<u>          </u>
Net cash outflow for capital expenditure and financial investment	<u>(145,378)</u>	<u>(269,408)</u>
 <b>Financing</b>		
Issue of ordinary share capital	-	1,547
	<u>          </u>	<u>          </u>
Net cash inflow from financing	<u>-</u>	<u>1,547</u>

**19c ANALYSIS OF NET DEBT**

	<b>At 1 April 2001 £</b>	<b>Cash flow £</b>	<b>At 31 March 2002 £</b>
Cash at bank and in hand	39,079	(14,112)	24,967
Bank overdraft and loans	(2,212,768)	405,915	(1,806,853)
	<u>          </u>	<u>          </u>	<u>          </u>
	<u>(2,173,689)</u>	<u>391,803</u>	<u>(1,781,886)</u>

# **THERMOFROST CRYO PLC AND SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2002**

#### **20 PENSION COMMITMENTS**

The group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in an independently administered fund. The pension cost charge represent contributions payable by the group to the funds and amounted to £191,922 (2001: £184,276).

#### **21 OTHER COMMITMENTS**

At 31 March 2002 the group was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2002:

	<b>Land and buildings</b>	
	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within 1 year	-	18,170
Within 2 to 5 years	32,800	32,800
	<u>32,800</u>	<u>50,970</u>

At 31 March 2002 the group was committed to purchasing foreign currency under forward contract arrangements with a value of £450,582 (2001: £377,117).

#### **22 PARENT UNDERTAKINGS**

The ultimate parent company is Lansing Securities Limited, a company registered in the British Virgin Islands. Copies of its financial statements are not publicly available.

The parent company of the smallest and largest group to include the company in its consolidated financial statements is its immediate parent undertaking, Rareform Limited, a company incorporated in England. Copies of its consolidated financial statements are available from Companies' House, Crown Way, Maindy, Cardiff, CF14 3UZ. The company has taken advantage of the exemptions conferred by Financial Reporting Standard 8 from the requirement to make disclosures concerning related parties within the group.