

POOLE TECHNICAL PLATING SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1998

Registered Number: 1116843

CHRISTOPHER J APPLEGATE
CHARTERED ACCOUNTANTS and
REGISTERED AUDITOR

Abbotts Ann, Hampshire



POOLE TECHNICAL PLATING SERVICES LIMITED
FINANCIAL STATEMENTS

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POOLE TECHNICAL PLATING SERVICES LIMITED

DIRECTORS AND ADVISORS

Directors:

R W Scott Managing Director

Secretary:

M K Eaton

Registered Office:

32 Dawkins Road
Hamworthy
Poole
Dorset
BH15 4JW

Bankers:

Lloyds Bank plc
Beech House
28/30 Wimborne Road
Poole
Dorset
BH15 2BL

Auditors:

Christopher J Applegate
The Hawthorns
Abbotts Hill
Abbotts Ann
Hampshire
SP11 7NN

POOLE TECHNICAL PLATING SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1997

The Director has pleasure in presenting his financial statements for the year ended 30 June 1998.

Principal Activity

The principal activity of the company is precious and base metal platers.

Business Development

The Director is pleased to report another profitable year. This has been achieved by continued investment in product methods and efficiency, along with a gradual improvement in market conditions. The Director is confident that this improvement will continue in the current financial year.

Results and Dividends

The results for the year are set out on page 4. The profit for the year of £78,993 (1997: £100,901) has been transferred to reserves. An interim dividend of 38.2p (1997-Nil) per Ordinary share was paid on 16 December 1997. A final dividend of 38.2p (1997-Nil) per Ordinary share was paid on 22 June 1998.

Directors and Directors' Interests

The Directors shown on page 1 have served during the year. Their interests in the Ordinary 10p shares of the company were as follows:

	<u>1998</u>	<u>1997</u>
R W Scott	52,350	52,350
J Williams (resigned 4 July 1998)	<u>-</u>	<u>37,650</u>
	<u>52,350</u>	<u>90,000</u>

In July 1997 the Company purchased 37,650 10p Ordinary shares from a former director, Mr John Williams for £100,000. The premium of £96,235 has been deducted from distributable reserves (note 15).

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

POOLE TECHNICAL PLATING SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 1998 (Continued)

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 the safeguarding of assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Messrs Christopher J Applegate have expressed their willingness to continue in office, and a resolution to reappoint them will be proposed at the annual general meeting.

By Order of the Board



M K Eaton
Secretary

3 December 1998

32 Dawkins Road
Hamworthy
Poole
Dorset
BH15 4JW

POOLE TECHNICAL PLATING SERVICES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 1998**

	Note	<u>1998</u> £	<u>1997</u> £
Turnover	1	2,003,498	1,722,705
Cost of Sales		<u>1,390,465</u>	<u>1,126,507</u>
Gross Profit		613,033	596,198
Distribution Costs		62,041	63,177
Administrative Expenses		<u>369,187</u>	<u>373,771</u>
Operating Profit	2	181,805	159,250
Interest Payable	5	<u>40,337</u>	<u>40,787</u>
Profit on Ordinary Activities Before Taxation		141,468	118,463
Taxation on Profit on Ordinary Activities	6	<u>22,475</u>	<u>(17,562)</u>
Profit on Ordinary Activities after Taxation		118,993	100,901
Dividends	7	<u>40,000</u>	<u>-</u>
Profit for the Financial Year Transferred to Reserves	15	<u><u>78,993</u></u>	<u><u>100,901</u></u>

Turnover is derived from continuing operations in the United Kingdom.

**Statement of Total Recognised Gains and
Losses for the year ended 30 June 1998**

	<u>1998</u>	<u>1997</u>
Retained profit for the year	78,993	100,901
Premium on purchase of 37,650 10p Ordinary Shares	(96,235)	<u>-</u>
	<u>(17,242)</u>	<u>100,901</u>

POOLE TECHNICAL PLATING SERVICES LIMITED

**BALANCE SHEET
AS AT 30 JUNE 1998**

	Note	<u>1998</u>	<u>1997</u>
		£	£
Fixed Assets			
Tangible Assets	8	795,114	819,420
Current Assets			
Stocks	9	55,900	62,177
Debtors	10	470,662	469,660
Cash at Bank and in Hand		<u>97,665</u>	<u>99,369</u>
		624,227	631,206
Creditors - Amounts falling due within one year	11	<u>779,945</u>	<u>767,017</u>
Net Current (Liabilities)		(155,718)	(135,811)
Total Assets less Current Liabilities		639,396	683,609
Creditors - Amounts falling due after more than one year	12	-	16,000
Provisions for Liabilities and Charges	13	<u>67,406</u>	<u>74,612</u>
Net Assets		<u>571,990</u>	<u>592,997</u>
Capital and Reserves			
Share Capital (equity interests)	14	5,235	9,000
Profit and Loss Account	15	439,298	456,540
Revaluation Reserve 16		<u>127,457</u>	<u>127,457</u>
Shareholders' Funds	20	<u>571,990</u>	<u>592,997</u>

On behalf of the Board:



R W SCOTT

3 December 1998

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1998

1 Accounting Policies

a Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of the freehold property, and in accordance with applicable accounting standards.

b Tangible Fixed Assets

The rates of depreciation applied to tangible assets are calculated to write off their cost over their estimated useful lives. The estimated useful lives of the principal classes of tangible fixed assets are as follows:

Freehold Property	-1% per annum on 1997 valuation, and cost of subsequent additions
Plant and Machinery	-20% per annum on monthly written down value
Fixture and Fittings	- 25% per annum on monthly written down value
Motor Cars	- 25% per annum on annual written down value
Motor Vans	- 30% per annum on annual written down value

c Stocks

Stocks are stated at the lower of cost and net realisable value.

d Leases

Costs incurred under operating leases are charged against operating profit in the year in which they arise.

e Taxation

Taxation is based on the profits for the year. Provision is made in respect of timing differences to the extent that such future liabilities are expected to become payable in the foreseeable future.

f Turnover

Turnover represents the amount of products sold, exclusive of value added tax.

g Pensions

The pension costs charged against profits represent the amount of the contributions payable to schemes in respect of the accounting period.

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 1998 (Continued)

2	Operating Profit	<u>1998</u> £	<u>1997</u> £
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Operating profit is arrived at after charging:

Depreciation of tangible fixed assets	57,334	60,516
Auditors' Remuneration	4,200	3,750
Hire purchase charges	-	58
Loss/(profit) on the disposal of tangible fixed assets	<u>2,092</u>	<u>-</u>

3 Directors' Remuneration

<u>1998</u> £	<u>1997</u> £
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The emoluments of the directors, including pension contributions, were:

<u>80,900</u>	<u>111,934</u>
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The emoluments of the Chairman, and highest paid director, excluding pension contributions were:

<u>80,900</u>	<u>70,970</u>
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The number of directors whose emoluments, excluding pension contributions, were within the following bands:

	<u>1998</u> Number	<u>1997</u> Number
£30,001 - £40,000	-	1
£40,001 - £50,000	-	-
£50,001 - £60,000	-	-
£60,001 - £70,000	-	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 1998 (Continued)

4 Employees

Employee costs charged against operating profit, including directors' emoluments shown in Note 3 were:

	<u>1998</u> £	<u>1997</u> £
Wages and salaries	670,035	528,980
Social security costs	60,925	54,564
Pension costs	<u>8,058</u>	<u>10,660</u>
	<u><u>739,018</u></u>	<u><u>594,204</u></u>

The average number of employees including directors during the year, was:

	<u>1998</u> Number	<u>1997</u> Number
Production	37	33
Sales and distribution	1	1
Administration	<u>3</u>	<u>3</u>
	<u><u>41</u></u>	<u><u>37</u></u>

5 Interest Payable

	<u>1998</u> £	<u>1997</u> £
On short term borrowings	<u>40,337</u>	<u>40,787</u>

6 Taxation

	<u>1998</u> £	<u>1997</u> £
Corporation tax at 21% (1997-21%)	29,681	27,469
Deferred taxation at 21% (1997-21%)	<u>(7,206)</u>	<u>(9,907)</u>
	<u><u>22,475</u></u>	<u><u>17,562</u></u>

7 Dividends

	<u>1998</u> £	<u>1997</u> £
Ordinary Shares		
Interim dividend of £0.38p per share, paid 16 December 1997 (1997 Nil).	20,000	-
Final dividend of £0.38 per share, paid 22 June 1998 (1997 Nil).	<u>20,000</u>	<u>-</u>
	<u><u>40,000</u></u>	<u><u>-</u></u>

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 1998 (Continued)

8 Tangible Fixed Assets

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost or valuation					
At 1 July 1997	665,622	829,961	55,955	66,022	1,617,560
Additions	-	32,120	3,000	-	35,120
Disposals	-	-	-	17,500	17,500
At 30 June 1998	<u>665,622</u>	<u>862,081</u>	<u>58,955</u>	<u>48,522</u>	<u>1,635,180</u>
Depreciation					
At 1 July 1997	75,024	637,118	37,056	48,942	798,140
Charge for the year	9,402	39,107	4,512	4,313	57,334
Disposals	-	-	-	15,408	15,408
At 30 June 1998	<u>84,426</u>	<u>676,225</u>	<u>41,568</u>	<u>37,847</u>	<u>840,066</u>
Net Book Values					
At 30 June 1998	<u>581,196</u>	<u>185,856</u>	<u>17,387</u>	<u>10,675</u>	<u>795,114</u>
At 30 June 1997	<u>590,598</u>	<u>192,843</u>	<u>18,899</u>	<u>17,080</u>	<u>819,420</u>

The freehold property is included at its open market valuation by Primmer Olds, Chartered Surveyors, in November 1997. The comparable amounts for the freehold property, if stated under historical cost rules, would be:

	<u>1998</u> £	<u>1997</u> £
Cost	500,301	500,301
Depreciation	(75,773)	(71,485)
Net Book Value	<u>424,528</u>	<u>428,816</u>

POOLE TECHNICAL PLATING SERVICES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1998 (Continued)**

9	Stock	<u>1998</u> £	<u>1997</u> £
	Raw materials and consumables	<u>55,900</u>	<u>62,177</u>
10	Debtors	<u>1998</u> £	<u>1997</u> £
	Trade debtors	445,649	445,438
	Other debtors	-	200
	Prepayments and accrued income	<u>25,013</u>	<u>24,022</u>
		<u>470,662</u>	<u>469,660</u>
11	Creditors - amounts falling due within one year	<u>1998</u> £	<u>1997</u> £
	Bank loan	25,000	69,000
	Bank overdraft	404,317	359,557
	Trade creditors	172,383	184,663
	Corporation tax	24,681	27,469
	Directors' loan account	19,434	39,068
	Other taxes and social security costs	72,450	62,777
	Accruals and deferred income	<u>61,680</u>	<u>24,483</u>
		<u>779,945</u>	<u>767,017</u>

The bank overdraft and loan are secured by an unlimited debenture over the company's assets, containing a legal charge over the freehold land and buildings at 31 Dawkins Road, Hamworthy, Poole.

12	Creditors - amounts falling due after more than one year	<u>1998</u> £	<u>1997</u> £
	Bank loan	-	16,000
	Hire purchase obligations	<u>-</u>	<u>-</u>
		<u>-</u>	<u>16,000</u>

The long term bank loan is secured by a fixed and floating charge over the company's assets, containing a legal charge over the freehold land and buildings at 31 Dawkins Road, Hamworthy, Poole.

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1998 (Continued)

13	Provision for Liabilities and Charges		<u>1998</u> £	<u>1997</u> £
	Deferred tax provisions:	<u>Rate used</u>		
	Potential gain on revalued property	21%	27,024	27,024
	Accelerated capital allowances	21%	<u>40,382</u>	<u>47,588</u>
			<u>67,406</u>	<u>74,612</u>
	Movement on deferred tax:			£
	At 1 July 1997			74,612
	Transfer to profit and loss account			<u>(7,206)</u>
	At 30 June 1998			<u>67,406</u>
14	Share Capital		<u>1998</u> £	<u>1997</u> £
	Authorised:			
	100,000 Ordinary shares of 10p each		<u>10,000</u>	<u>10,000</u>
	Issued fully paid			
	Ordinary shares of 10p each			
	At 1 July 1997		9,000	9,000
	Purchased during the year		<u>(3,765)</u>	<u>-</u>
	At 30 June 1998		<u>5,235</u>	<u>9,000</u>
	In July 1997 the Company purchased 37,650 10p Ordinary shares from a former director, Mr John Williams for £100,000. The premium of £96,235 has been deducted from distributable reserves (note 15).			
15	Profit and Loss Account			£
	At 1 July 1997			456,540
	Retained profit for the year			78,993
	Premium on purchase of own shares (note 14)			<u>(96,235)</u>
	At 30 June 1998			<u>439,298</u>

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 1998 (Continued)

16 Revaluation Reserve

£

At 1 July 1997 and 30 June 1998

127,457

The revaluation reserve represents the surplus on revaluation of freehold property.

17 Capital Commitments

The company had no commitments for capital expenditure at 30 June 1998 and 30 June 1997.

18 Contingent Liabilities

The company had no contingent liabilities at 30 June 1998 and 30 June 1997.

19 Cashflow Statements

The company has taken advantage of the exemption provided for small companies under FRS1, and has not provided a cashflow statement.

20 Movement on Shareholders Funds

	<u>1998</u> £	<u>1997</u> £
Opening shareholders funds	592,997	492,096
Profit for the financial year	118,993	100,901
Dividends paid	(40,000)	-
Premium on purchase of own shares	(96,235)	-
Purchase of own shares	<u>(3,765)</u>	<u>-</u>
Closing shareholders funds	<u>571,990</u>	<u>592,997</u>

21 Company Status

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.



CHRISTOPHER J. APPLEGATE
Chartered Accountants

The Hawthorns · Abbots Hill · Abbots Ann · Andover · Hampshire · SP11 7NN
Telephone: 01264 710871 · Facsimile 01264 710703

AUDITORS' REPORT TO THE MEMBERS OF POOLE TECHNICAL PLATING SERVICES LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on pages 2 and 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to 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 financial statements. It also includes an assessment of the significant estimates and judgments 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 company's affairs as at 30 June 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Christopher J Applegate

3 December 1998

**Chartered Accountants and Registered Auditor
Abbots Ann, Hampshire**

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