

Company No. 1152519

FRETFOIL LIMITED

ABBREVIATED ACCOUNTS

31ST MAY 1996

GOMPERTZ, KENDALL & CO.,  
Chartered Accountants,  
Tricorn House,  
51/53 Hagley Road,  
Edgbaston,  
BIRMINGHAM B16 8TP.



**AUDITORS REPORT TO FRETFOIL LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of Fretfoil Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st May, 1996.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part 111 of Schedule 8 to that Act, in respect of the year ended 31st May, 1996, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

**Other information**

On 27th February, 1997 we reported, as auditors of Fretfoil Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st May, 1996, and our audit report was as follows:

" We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**Respective responsibilities of directors and auditors**

As described on page 1 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 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.

AUDITORS REPORT TO FRETFOIL LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985 (continued)

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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 31st May, 1996 and of its profit for the year then ended and have properly prepared in accordance with the Companies Act 1985.'



Tricorn House,  
51/53 Hagley Road,  
Edgbaston,  
Birmingham B16 8TP.

Gompertz, Kendall & Co  
Chartered Accountants &  
Registered Auditors  
27th February, 1997

FRETFOIL LIMITED

BALANCE SHEET AS AT 31ST MAY 1996

	NOTES	<u>1996</u>	<u>1995</u>
FIXED ASSETS			
Tangible Assets	2	353372	349272
CURRENT ASSETS			
Stock		70051	63683
Debtors		356198	408233
Cash at Bank		<u>261035</u>	<u>207879</u>
		687284	679795
CREDITORS: Amounts becoming due and payable within one year		<u>494665</u>	<u>496765</u>
NET CURRENT ASSETS		<u>192619</u>	<u>183030</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		545991	532302
CREDITORS: Amounts becoming due and payable after more than one year		( 19221)	( 23953)
PROVISION FOR LIABILITIES AND CHARGES			
Deferred Taxation		( <u>27702</u> )	( <u>28611</u> )
NET ASSETS		<u>£499068</u>	<u>£479738</u>
CAPITAL AND RESERVES			
Share Capital	3	30010	30010
Profit and Loss Account		<u>469058</u>	<u>449728</u>
		<u>£499068</u>	<u>£479738</u>

In delivering these Accounts, the directors have relied upon the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 on the grounds that the Company is entitled to the benefit of those exemptions as a small company.

Signed on behalf of the board of directors

D.T. Garbett  
Director

These Accounts were approved by the board on 27th February, 1997

The notes on pages 3 to 5 form part of these accounts.

FRETFOIL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996

1. ACCOUNTING POLICIES

The following accounting Policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

(a) Basis of Accounting

The Accounts have been prepared under the Historical Cost Convention.

(b) Depreciation

Depreciation is calculated so as to write off the cost of Tangible Fixed Assets over their estimated useful lives as follows:-

Fixtures, Fittings and Equipment	15% Reducing Balance
Motor Vehicles	25% Reducing Balance

Depreciation is not provided on the Freehold Buildings as in the opinion of the Directors, non-compliance with Statement of Standard Accounting Practice No. 12 in this respect does not materially affect the Company's Accounts.

(c) Deferred Taxation

Deferred Taxation is provided using the liability method in respect of the taxation effect of all timing differences other than those which are expected with reasonable probability to continue in the foreseeable future.

(d) Stock

Stock is valued at the lower of cost or net realisable value.

(e) Cash Flow Statement

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a Cash Flow Statement on the grounds that it is a small company.

(f) Turnover

Turnover represents amounts invoiced in respect of goods provided during the year, excluding Value Added Tax.

FRETFOIL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996

2. FIXED ASSETS

Tangible Assets

Cost

At 31st May 1995	485353
Additions	51050
Disposals	( 33425)
At 31st May 1996	<u>£502978</u>

Depreciation

At 31st May 1995	136081
Charge for the year	35050
Disposals	( 21525)
At 31st May 1996	<u>£149606</u>

Net Book Value

At 31st May 1996	<u>£353372</u>
At 31st May 1995	<u>£349272</u>

3. SHARE CAPITAL

Authorised

	<u>1996</u>	<u>1995</u>
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30100 Ordinary Shares of £1 each	£ <u>30100</u>	£ <u>30100</u>
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Allotted, Called-Up and Fully Paid

30010 Ordinary Shares of £1 each	£ <u>30010</u>	£ <u>30010</u>
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FRETFOIL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MAY 1996

	<u>1996</u>	<u>1995</u>
Turnover	1848716	1925286
Increase in Stock of Finished Goods	6368	5789
Raw Materials and Consumables	(1306747)	(1385444)
<u>Gross Profit</u> for the year	548337	545631
Staff Costs	( 305366)	( 321427)
Directors Remuneration	( 49995)	( 50277)
Depreciation and other amounts written off Tangible Fixed Assets	( 35200)	( 27025)
Other Operating Costs	( 150010)	( 137381)
Other Operating Income - Bank Interest	20510	15088
Interest Payable - Hire Purchase Interest	( 3522)	( 1608)
Profit on Ordinary Activities before Taxation	24754	23001
Taxation including Deferred Taxation Adjustment	( 5424)	( 6191)
Profit after Taxation	£ <u>19330</u>	£ <u>16810</u>
<u>Statement of Retained Earnings</u>		
Retained Profit brought forward	449728	432918
Retained Profit for the year	<u>19330</u>	<u>16810</u>
Retained Profit carried forward	£ <u>469058</u>	£ <u>449728</u>

There were no recognised gains or losses other than the profit for the year.