



WILLIAM BECKETT PLASTICS LIMITED

FINANCIAL STATEMENTS

for the year ended

31 December 2002



Company Registration Number 1304215

WILLIAM BECKETT PLASTICS LIMITED

FINANCIAL STATEMENTS



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WILLIAM BECKETT PLASTICS LIMITED

THE DIRECTORS' REPORT



The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the supply and manufacture of blow-moulded and injection-moulded products, and the distribution of display goods.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Class of share	At 31 December 2002	At 1 January 2002 or later date of appointment
W A Beckett	Ordinary	30,250	30,250
	Deferred	2,750	2,750
L Beckett	Ordinary	16,500	16,500
	Deferred	1,500	1,500
D Whittington	Ordinary	8,250	8,250
	Deferred	750	750
P Stocks		—	—
K Goodison		—	—

K Goodison was appointed as a director on 1 October 2002.

AUDITORS

A resolution to re-appoint Baker Tilly as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Unit A5
Tinsley Industrial Park
Shepcote Way
Sheffield
S9 1TH

Signed by order of the directors

L Beckett
Company Secretary

Approved by the directors on 31 March 2003

WILLIAM BECKETT PLASTICS LIMITED

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies, as described on pages 6 to 7, and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent; and
- c. 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. The directors 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS



Independent auditors' report to the shareholders of William Beckett Plastics Limited

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We have audited the financial statements on pages 4 to 12 of William Beckett Plastics Limited for the year ended 31 December 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 1985. 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT 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 company's affairs as at 31 December 2002 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in cursive script, reading "Baker Tilly".

Baker Tilly

Chartered Accountants
2 Whitehall Quay
Leeds
LS1 4HG

31 March 2003

Baker Tilly

WILLIAM BECKETT PLASTICS LIMITED

PROFIT AND LOSS ACCOUNT

year ended 31 December 2002



	Notes	2002 £	2001 £
TURNOVER		1,871,783	2,069,199
Cost of sales		1,007,156	1,143,465
GROSS PROFIT		864,627	925,734
Distribution costs		33,859	23,733
Administrative expenses		857,876	971,919
Other operating income	2	(5,465)	(8,934)
OPERATING LOSS	3	(21,643)	(60,984)
Cost of reorganisation	4	—	(333,908)
		(21,643)	(394,892)
Income from fixed asset investments	5	—	333,908
Interest payable	6	26,863	26,386
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(48,506)	(87,370)
Tax on loss on ordinary activities		54,859	(11,656)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(103,365)	(75,714)
Equity dividends paid		20,625	—
LOSS FOR THE FINANCIAL YEAR		(123,990)	(75,714)
Balance brought forward		406,327	482,041
Balance carried forward		282,337	406,327

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

WILLIAM BECKETT PLASTICS LIMITED

BALANCE SHEET

31 December 2002



	Notes	£	2002 £	2001 £
FIXED ASSETS				
Tangible assets	7		534,940	661,262
Investments	8		50,700	50,700
			<u>585,640</u>	<u>711,962</u>
CURRENT ASSETS				
Stocks		146,136		127,701
Debtors	9	532,372		533,685
Cash at bank and in hand		628		17,835
		<u>679,136</u>		<u>679,221</u>
CREDITORS: amounts falling due within one year	10	404,112		489,879
NET CURRENT ASSETS			<u>275,024</u>	<u>189,342</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>860,664</u>	<u>901,304</u>
CREDITORS: amounts falling due after more than one year	11		<u>107,229</u>	<u>78,738</u>
			<u>753,435</u>	<u>822,566</u>
PROVISIONS FOR LIABILITIES AND CHARGES				
Deferred taxation	13		54,859	—
			<u>698,576</u>	<u>822,566</u>
CAPITAL AND RESERVES				
Called-up share capital	16		60,000	60,000
Other reserves			356,239	356,239
Profit and loss account			282,337	406,327
SHAREHOLDERS' FUNDS (INCLUDING NON-EQUITY INTERESTS)	17		<u>698,576</u>	<u>822,566</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 31 March 2003 and are signed on their behalf by:


W A Beckett

WILLIAM BECKETT PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

year ended 31 December 2002



1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

TURNOVER

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	10% per annum straight-line
Other fixed assets	-	25% per annum straight-line
Motor Vehicles	-	25% per annum on reducing-balance

STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

WILLIAM BECKETT PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

year ended 31 December 2002



1. ACCOUNTING POLICIES *(continued)*

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.

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. OTHER OPERATING INCOME

	2002	2001
	£	£
Other operating income	<u>5,465</u>	<u>8,934</u>

3. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	2002	2001
	£	£
Directors' emoluments	131,119	158,177
Staff pension contributions	12,130	14,016
Depreciation	143,362	154,656
Loss on disposal of fixed assets	164	4,916
Auditors' fees	7,552	9,545
Operating lease costs:		
Vehicles	1,501	—
Net loss/(profit) on foreign currency translation	<u>14,182</u>	<u>(5,460)</u>

WILLIAM BECKETT PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

year ended 31 December 2002



4. COST OF REORGANISATION

	2002	2001
	£	£
Write down of investment in subsidiaries	—	333,908

5. INCOME FROM FIXED ASSET INVESTMENTS

	2002	2001
	£	£
Income from fixed asset investments	—	333,908

6. INTEREST PAYABLE

	2002	2001
	£	£
Finance charges	10,499	11,448
Other interest	16,364	14,938
	<u>26,863</u>	<u>26,386</u>

7. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Computer Equipment £	Motor Vehicles £	Total £
Cost				
At 1 January 2002	1,913,724	86,034	126,347	2,126,105
Additions	17,220	15,985	—	33,205
Disposals	—	—	(16,165)	(16,165)
At 31 December 2002	<u>1,930,944</u>	<u>102,019</u>	<u>110,182</u>	<u>2,143,145</u>
Depreciation				
At 1 January 2002	1,348,376	52,315	64,152	1,464,843
Charge for the year	117,618	12,563	13,181	143,362
At 31 December 2002	<u>1,465,994</u>	<u>64,878</u>	<u>77,333</u>	<u>1,608,205</u>
Net book value				
At 31 December 2002	<u>464,950</u>	<u>37,141</u>	<u>32,849</u>	<u>534,940</u>
At 31 December 2001	<u>565,348</u>	<u>33,719</u>	<u>62,195</u>	<u>661,262</u>

Hire purchase agreements

Included within the net book value of £534,940 is £164,520 (2001 - £187,401) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £29,891 (2001 - £31,037).

WILLIAM BECKETT PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

year ended 31 December 2002



8. INVESTMENTS

	Shares in group undertakings £
Cost:	
At 1 January 2002 and 31 December 2002	<u>384,608</u>
Amounts written off:	
At 1 January 2002 and 31 December 2002	<u>333,908</u>
Net book value:	
At 31 December 2002	<u>50,700</u>
At 31 December 2001	<u>50,700</u>

The company has the following subsidiary companies:

Company and nature of business	Country of registration and incorporation	Shares held	
		Class	%
Polyplas Limited (Dormant)	England	Ordinary	100
Leeds Display Limited (Dormant)	England	Ordinary	100
William Beckett Plastics Inc (Supplier of blow moulded products)	U.S.A.	Ordinary	95

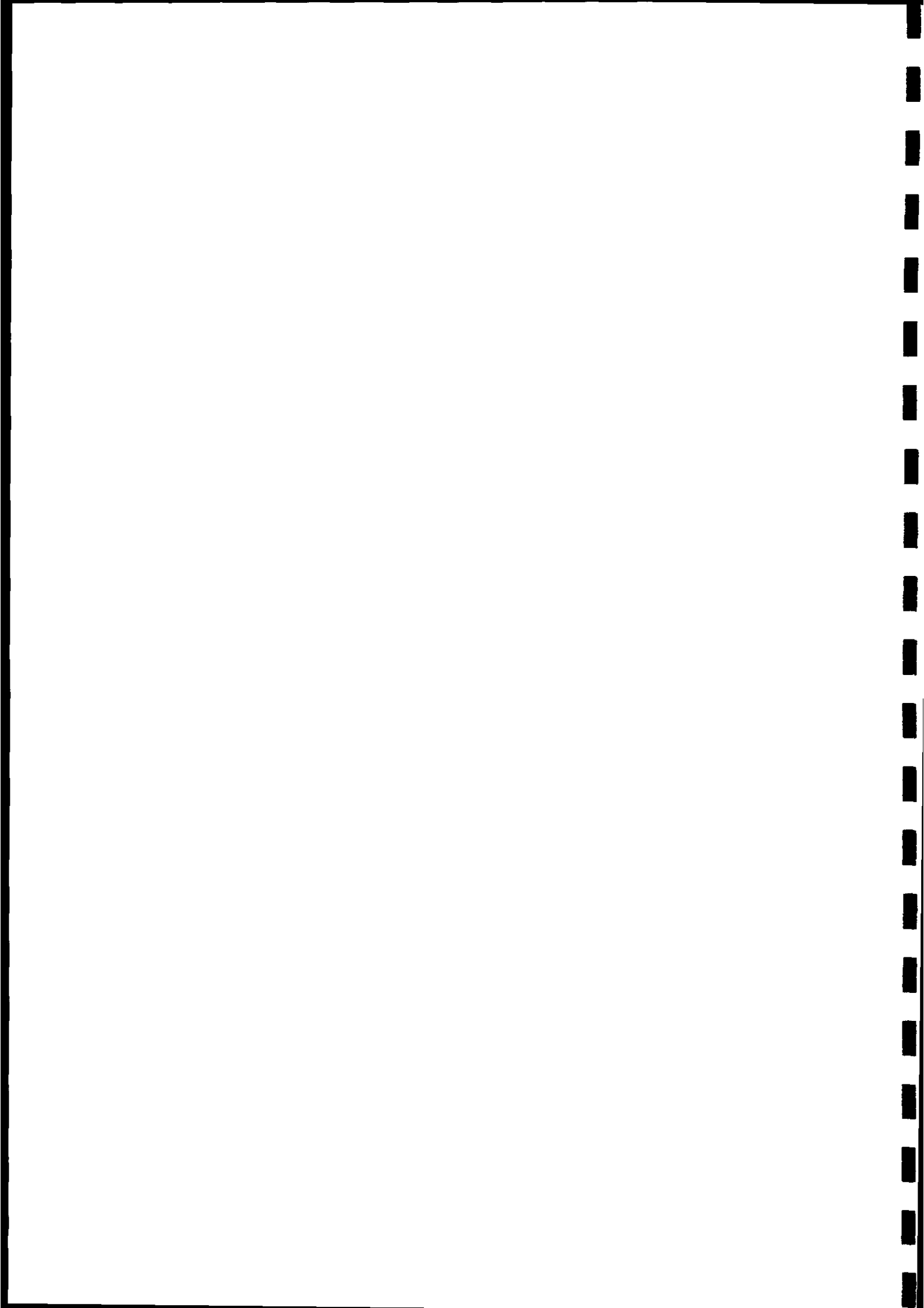
The aggregate amount of capital and reserves and the results of these undertakings for the financial year to 31 December 2002 were as follows:

	Capital and Reserves £	Profit/(Loss) for the year £
Polyplas Limited	50,000	-
Leeds Display Limited	100	-
William Beckett Plastics Inc	(19,391)	(31,955)

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

9. DEBTORS

	2002 £	2001 £
Trade debtors	238,028	240,103
Amounts owed by group undertakings	227,180	198,094
Corporation tax repayable	-	11,656
Other debtors	67,164	83,832
	<u>532,372</u>	<u>533,685</u>



WILLIAM BECKETT PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

year ended 31 December 2002



10. CREDITORS: amounts falling due within one year

	2002	2001
	£	£
Bank loans and overdrafts	79,102	130,439
Trade creditors	131,571	118,476
Amounts owed to group undertakings	50,100	54,038
Other creditors including taxation and social security:		
Corporation tax	260	—
PAYE and social security	13,607	21,333
VAT	5,802	9,994
Hire purchase agreements	42,979	56,219
Loans from pension scheme	50,000	50,000
Other creditors	3,300	17,398
Accruals and deferred income	27,391	31,982
	<u>143,339</u>	<u>186,926</u>
	<u>404,112</u>	<u>489,879</u>

The bank loans and overdrafts are secured on all of the company's assets.

11. CREDITORS: amounts falling due after more than one year

	2002	2001
	£	£
Hire purchase agreements	32,229	53,738
Other creditors including:		
Loans from pension scheme	75,000	25,000
	<u>107,229</u>	<u>78,738</u>

12. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2002	2001
	£	£
Amounts payable within 1 year	42,979	56,219
Amounts payable between 2 to 5 years	32,229	53,738
	<u>75,208</u>	<u>109,957</u>
Hire purchase agreements are analysed as follows:		
Current obligations	42,979	56,219
Non-current obligations	32,229	53,738
	<u>75,208</u>	<u>109,957</u>

WILLIAM BECKETT PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

year ended 31 December 2002



13. DEFERRED TAXATION

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002		2001	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of taxation allowances over depreciation on fixed assets	55,374	–	–	66,389
Tax losses available	(515)	–	–	–
	<u>54,859</u>	<u>–</u>	<u>–</u>	<u>66,389</u>

14. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets Other Than Land and buildings	
	2002 £	2001 £
Operating leases which expire:		
Within 2 to 5 years	<u>18,634</u>	<u>18,280</u>

15. RELATED PARTY TRANSACTIONS

The company was under the control of Mr W A Beckett throughout the current and previous year. Mr W A Beckett is the majority shareholder.

During the year the company sold goods in the normal course of business to its subsidiary William Beckett Plastics Inc., at a cost of £362,094 (2001: £450,025). Amounts owed by William Beckett Plastics Inc. amounted to £225,035 as at 31 December 2002 (2001: £194,156). Amounts owing to the dormant subsidiaries, Polyplas Limited and Leeds Display Limited, amounted to £50,000 and £100 respectively as at 31 December 2002 (2001: £50,000 and £100). The company also bought goods worth £18,702 from Petals, a sole trader business owned by D Whittington (company director). As at 31 December 2002, the balance owing to Petals was £3305 (2001: £nil).

16. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
95,000 Ordinary shares of £1 each	95,000	95,000
5,000 Special Deferred shares of £1 each	5,000	5,000
	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2002		2001	
	No.	£	No.	£
Ordinary shares	55,000	55,000	55,000	55,000
Special Deferred shares	5,000	5,000	5,000	5,000
	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>

WILLIAM BECKETT PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

year ended 31 December 2002



17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

EQUITY SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Loss for the financial year	(103,365)	(75,714)
Dividends	(20,625)	—
	<u>(123,990)</u>	<u>(75,714)</u>
Opening shareholders' equity funds	817,566	893,280
Closing shareholders' equity funds	<u>693,576</u>	<u>817,566</u>

NON-EQUITY SHAREHOLDERS' FUNDS

Special Deferred shares	5,000	5,000
Closing shareholders' non-equity funds	<u>5,000</u>	<u>5,000</u>

TOTAL SHAREHOLDERS' FUNDS	<u>698,576</u>	<u>822,566</u>
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