

REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005  
FOR  
HIGHWAY SAFETY SYSTEMS LIMITED  
TRADING AS  
PERMAPLAY



**HIGHWAY SAFETY SYSTEMS LIMITED**

**TRADING AS PERMAPLAY**

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**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

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**HIGHWAY SAFETY SYSTEMS LIMITED**  
**TRADING AS PERMAPLAY**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

**DIRECTORS :** F.H. Lee  
K. Wain

**SECRETARY :** K.J. Carter

**REGISTERED OFFICE :** Unit 4a and 4b  
Holmes Chapel Business Park  
Manor Lane  
Holmes Chapel  
CW4 8AS

**REGISTERED NUMBER :** 1462303 (England and Wales)

**ACCOUNTANTS :** K.J. Carter FCA  
58 Sheldon Avenue  
Standish  
Wigan  
Lancs  
WN6 0LW

**HIGHWAY SAFETY SYSTEMS LIMITED**  
**TRADING AS PERMAPLAY**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

The directors present their report with the financial statements of the company for the year ended 31<sup>st</sup> March 2005.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of motorway maintenance contractors.

**DIRECTORS**

The directors during the year under review were :

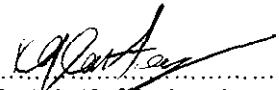
F.H. Lee  
K. Wain

The beneficial interests of the directors holding office on 31<sup>st</sup> March 2005 in the issued share capital of the company were as follows :

	31.03.05	31.03.04
<b>Ordinary £1 shares</b>		
F.H. Lee	57,000	57,000
K. Wain	6,000	6,000

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

**ON BEHALF OF THE BOARD :**

  
.....  
On behalf of the board  
K.J. Carter – SECRETARY

Dated : 24<sup>th</sup> NOVEMBER 2005

**HIGHWAY SAFETY SYSTEMS LIMITED**  
**TRADING AS PERMAPLAY**

**PROFIT AND LOSS ACCCOUNT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

	Notes	£	2005 £	£	2004 £
<b>TURNOVER</b>	2		1404,401		1,132,136
Cost of sales			<u>691,721</u>		<u>551,639</u>
			712,680		580,497
<b>GROSS PROFIT</b>					
Distribution costs		2,965		1,286	
Administrative expenses		<u>639,706</u>		<u>543,107</u>	
			<u>642,761</u>		<u>544,393</u>
<b>OPERATING (LOSS)/PROFIT</b>	3		70,009		36,104
Interest receivable and Similar income			<u>0</u>		<u>0</u>
			70,009		36,104
Interest payable and Similar charges	4		<u>29,067</u>		<u>5,616</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			40,942		30,488
Tax on (loss)/profit on ordinary Activities	5		<u>0</u>		<u>(3,549)</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			40,942		30,488
Retained profit/(deficit) brought forward			<u>(6863)</u>		<u>(37351)</u>
<b>(DEFICIT)/RETAINED PROFIT CARRIED FORWARD</b>			<u>34,079</u>		<u>(6863)</u>

The notes form part of these financial statements

**HIGHWAY SAFETY SYSTEMS LIMITED**  
**TRADING AS PERMAPLAY**

**BALANCE SHEET**  
**31<sup>ST</sup> MARCH 2005**

	Notes	£	2005 £	£	2004 £
<b>FIXED ASSETS</b>					
Intangible assets	6			100	100
Tangible assets	7			<u>114,583</u>	<u>114,774</u>
			114,683		114,874
<b>CURRENT ASSETS</b>					
Stocks		127,557		61,284	
Debtors	8	293,102		227,511	
Cash at bank and in hand		<u>1,510</u>		<u>1,509</u>	
		422,169		290,304	
<b>CREDITORS : Amounts falling</b>					
Due within one year	9	<u>402,773</u>		<u>288,490</u>	
<b>NET CURRENT (LIABILITIES)/ASSETS:</b>				<u>19,396</u>	<u>1,814</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				134,079	116,688
<b>CREDITORS : Amounts falling</b>					
Due after more than one year	10			(0)	( 23,551)
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	11			<u>          </u>	<u>          </u>
				<u>134,079</u>	<u>93,137</u>
<b>CAPITAL AND RESERVES :</b>					
Called up share capital	12		100,000	100,000	
Profit and loss account			<u>34,079</u>	<u>(6,863)</u>	
<b>SHAREHOLDERS' FUNDS :</b>			<u>134,079</u>	<u>93,137</u>	

The company is entitled to exemption from audit under Section 249A (1) of the Companies Act 1985 for the year ended 31<sup>st</sup> March 2005.

The members have not required the company to obtain and audit of its financial statements for the year ended 31<sup>st</sup> March 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for :

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

**HIGHWAY SAFETY SYSTEMS LIMITED  
TRADING AS PERMAPLAY**

**BALANCE SHEET  
31<sup>ST</sup> MARCH 2005**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD :**



.....  
F.H. Lee - DIRECTOR

Approved by the Board on 24th NOVEMBER 2005.....

These notes form part of these financial statements



**HIGHWAY SAFETY SYSTEMS LIMITED  
TRADING AS PERMAPLAY**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YESR ENDED 31<sup>ST</sup> MARCH 2005**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Intangible fixed assets**

Patents and licences are due to expire and have therefore been written down to a value of £100.

**Tangible fixed assets**

Depreciation is provided at the following rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	-	15% on reducing balance
Fixtures and fittings	-	15% on reducing balance
Motor vehicles	-	25% on reducing balance

**Stocks**

Stock is valued at the lower of the cost and net realizable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognized in respect of all timing differences that have originated but not reversed 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 transaction. Exchange differences are taken into account at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalized in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leased are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**HIGHWAY SAFETY SYSTEMS LIMITED**  
**TRADING AS PERMAPLAY**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

**Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contribution payable for the year are charges in the profit and loss account.

**2. TURNOVER**

Overseas turnover amounted to less than 1% (2004 1%) of the total turnover for the year.

**3. OPERATING (LOSS)/PROFIT**

The operating profit is stated after charging/(crediting) :

	2005	2004
	£	
Depreciation – owned assets	5,589	4,177
Depreciation - assets on hire purchase contracts	13,558	16,292
Loss/(Profit) on disposal of fixed assets	0	8,079
Pension costs	<u>2,322</u>	<u>3,000</u>

Directors' emoluments	<u>53,893</u>	<u>65,000</u>
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The number of directors to whom retirement benefits were accruing was as follows :

Money purchase schemes	1	1
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**4. INTEREST PAYABLE AND SIMILAR CHARGES**

Interest payable and similar charges includes the following :

	2005	2004
	£	£
Bank Interest	23,103	3,343
Hire purchase Interest	3900	2,273

**5. TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss on ordinary activities for the year was as follows :

		2004
Current tax :	-	-
UK corporation tax	-	-
Over/under provisions in		
Earlier years	<u>-</u>	<u>-</u>
	0	0
Deferred tax :		
Deferred taxation	-	0
Tax on (loss)/profit on ordinary activities	<u>-</u>	<u>0</u>

6. INTANGIBLE FIXED ASSETS

	Patents and licences £
<b>COST :</b>	
At 1 <sup>st</sup> April 2004	
And 31 <sup>st</sup> March 2005	<u>12,812</u>
<b>AMORTISATION :</b>	
At 1 <sup>st</sup> April 2004	
And 31 <sup>st</sup> March 2005	<u>12,712</u>
<b>NET BOOK VALUE :</b>	
At 31 <sup>st</sup> March 2005	<u>100</u>
At 31 <sup>st</sup> March 2004	<u>100</u>

7. TANGIBLE FIXED ASSETS

	Leasehold Buildings £	Plant and Machinery £	Fixtures and Fittings £	Motor Vehicles £	Totals £
<b>COST ;</b>					
At 1 <sup>st</sup> April 2004	18,427	16,131	38,839	243,288	308,685
Additions	0	0	924	14,800	15,724
Disposals	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 <sup>st</sup> March 2005	<u>18,427</u>	<u>16,131</u>	<u>39,763</u>	<u>258,088</u>	<u>332,229</u>
<b>DEPRECIATION :</b>					
At 1 <sup>st</sup> April 2004		5,494	13,129	175,285	193,908
Charge for year	0	1,261	4,598	18,058	23,917
Eliminated on disposals	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 <sup>st</sup> March 2005	<u>0</u>	<u>6,755</u>	<u>17,727</u>	<u>193,344</u>	<u>217,826</u>
<b>NET BOOK VALUE :</b>					
At 31 <sup>st</sup> March 2005	<u>18,427</u>	<u>9,376</u>	<u>22,036</u>	<u>64,744</u>	<u>114,583</u>
At 31 <sup>st</sup> March 2004	<u>18,427</u>	<u>10,637</u>	<u>17,710</u>	<u>68,003</u>	<u>114,277</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows :

	Motor Vehicles
<b>COST :</b>	
At 1 <sup>st</sup> April 2004	75,080
Additions	14,800
Transferred to ownership	(24,640)
At 31 <sup>st</sup> March 2005	<u>65,240</u>

**DEPRECIATION :**

At 1 <sup>st</sup> April 2004	20,418
Charge for year	21,181
Transferred to ownership	(18,793)
At 31 <sup>st</sup> March 2005	<u>22,756</u>

**NET BOOK VALUE :**

At 31 <sup>st</sup> March 2005	<u>42,484</u>
At 31 <sup>st</sup> March 2004	<u>54,662</u>

**8. DEBTORS : AMOUNT FALLING  
DUE WITHIN ONE YEAR**

	2005 £	2004 £
Trade debtors	289,398	224,927
Other debtors	0	0
Prepayments	3,703	2,584
Corporation tax recoverable	0	0
	<u>293,101</u>	<u>227,511</u>

**9. CREDITORS : AMOUNT FALLING  
DUE WITHIN ONE YEAR**

Bank loans and overdrafts	64,037	20,380
Hire purchase contracts	35,716	23,560
Trade creditors	205,104	152,587
Directors current accounts	500	25,500
Other creditors	0	0
Social security & other taxes	77,666	47,543
Corporation Tax	0	-
Accruals	19,750	18,920
	<u>402,773</u>	<u>288,490</u>

**10. CREDITORS : AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

Hire purchase contracts	23,551	23,551
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**11. PROVISIONS FOR LIABILITIES AND CHARGES**

Deferred tax	0	0
		Deferred Tax £
Balance at 1st April 2004		-
Profit & loss account		

**HIGHWAY SAFETY SYSTEMS LIMITED**  
**TRADING AS PERMAPLAY**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

Balance at 31<sup>st</sup> March 2005

-

Deferred tax provision

Nil

The company has unrelieved taxable losses carried forward of £40,862 which are available for offset against future taxable profits.

A deferred tax asset has not been recognized in respect of the losses in excess of the deferred tax liabilities arising from accelerated capital allowances. This is on the basis that, from all available evidence, it cannot be regarded as more likely than not that there will be suitable tax profits from which the future reversal of underlying timing differences can be deducted.

**12. CALLED UP SHARE VALUE**

Authorised Number:	Class	Nominal Value :	2005 £	2004 £
125,000	Ordinary	£1	<u>125,000</u>	<u>125,000</u>
Alloted, issued and fully paid Number :	Class:	Nominal Value :	2005 £	2004 £
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

**13. RELATED PARTY DISCLOSURES**

None

**14. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party of the company is Mr F.H. Lee, director and majority shareholder.

**HIGHWAY SAFETY SYSTEMS LIMITED**  
**TRADING AS PERMAPLAY**

**REPORT OF THE ACCCOUNTANTS TO THE DIRECTORS OF**  
**HIGHWAY SAFETY SYSTEMS LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31<sup>st</sup> March 2005 set out on pages three to eleven and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these un-audited financial statements in order to assist you to fulfill your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Address      K.J. Carter FCA  
                 58 Sheldon Avenue  
                 Standish  
                 Wigan  
                 WN6 0LW

Dated : 24<sup>th</sup> NOVEMBER, 2005