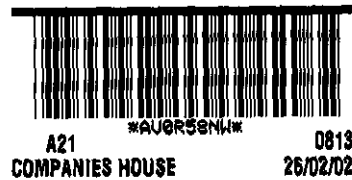


**FORMULATED POLYMER PRODUCTS LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30TH JUNE 2001**



# AUDITORS' REPORT TO FORMULATED POLYMER PRODUCTS LIMITED

## UNDER SECTION 247B OF THE COMPANIES ACT 1985

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We have examined the abbreviated financial statements set out on pages 2 to 4 together with the financial statements of Formulated Polymer Products Limited for the year ended 30th June 2001 prepared under section 226 of the Companies Act 1985.

### Respective responsibilities of directors and auditors

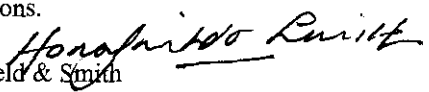
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### Basis of opinion

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.

  
Horsfield & Smith  
Chartered Accountants and Registered Auditors  
Tower House  
269 Walmersley Road  
Bury  
Lancashire  
BL9 6NX  
Date: 2.11.01

# FORMULATED POLYMER PRODUCTS LIMITED

## ABBREVIATED BALANCE SHEET

AS AT 30TH JUNE 2001

	Notes	£	2001 £	£	2000 £
<b>Fixed assets</b>	2				
Tangible fixed assets			367,875		341,601
<b>Current assets</b>					
Stock		125,398		126,706	
Debtors		583,710		521,523	
Cash at bank and in hand		44,212		86,871	
		753,320		735,100	
<b>Creditors: amounts falling due within one year</b>	3	(877,293)		(821,785)	
<b>Net current liabilities</b>			(123,973)		(86,685)
<b>Total assets less current liabilities</b>			243,902		254,916
<b>Creditors: amounts falling due after more than one year</b>			(90,552)		(103,872)
			153,350		151,044
<b>Capital and reserves</b>					
Share capital	4		240		240
Profit and loss account			153,110		150,804
<b>Shareholders' funds</b>			153,350		151,044

The abbreviated financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

These abbreviated financial statements were approved by the board on 2<sup>nd</sup> November 2001 and signed on its behalf by:

Mr N Howarth  
Director



# FORMULATED POLYMER PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2001

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### 1 Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

#### Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

#### Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates and periods generally applicable are:

Freehold properties	2% per annum straight line
Plant and machinery	15% per annum reducing balance
Motor vehicles	25% per annum reducing balance

#### Stocks

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

#### Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

#### Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

#### Contribution to pension funds

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

# FORMULATED POLYMER PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2001

### Hire purchase and leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

### 2 Fixed assets

	<b>Tangible fixed assets £</b>	<b>Total £</b>
<b>Cost</b>		
At 1st July 2000	419,677	419,677
Additions	50,900	50,900
Disposals	(17,500)	(17,500)
<b>At 30th June 2001</b>	<b>453,077</b>	<b>453,077</b>
<b>Depreciation and amortisation</b>		
At 1st July 2000	78,075	78,075
Charge for the year	18,679	18,679
On disposals	(11,552)	(11,552)
<b>At 30th June 2001</b>	<b>85,202</b>	<b>85,202</b>
<b>Net book value</b>		
<b>At 30th June 2001</b>	<b>367,875</b>	<b>367,875</b>
<i>At 30th June 2000</i>	<i>341,602</i>	<i>341,602</i>

### 3 Secured creditors

The bank loan is secured by a first legal mortgage dated 16th September 1996 over land and buildings East of Garden Street, Ramsbottom. Liabilities for assets held on hire purchase agreements are secured on the assets concerned.

### 4 Share capital

	<b>2001 £</b>	<b>2000 £</b>
<b>Authorised Equity shares</b>		
1,000 Ordinary shares of £1.00 each	<b>1,000</b>	<b>1,000</b>
<b>Allotted Equity shares</b>		
240 Allotted, called up and fully paid ordinary shares of £1.00 each	<b>240</b>	<b>240</b>
	<b>240</b>	<b>240</b>