

Regd
Co
COMPANY NO
2488919

Caplugs Limited

Annual report for the year ended 29 February 2004

Registered no: 2488919



Caplugs Limited

Annual report for the year ended 29 February 2004

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Directors' report for the year ended 29 February 2004

The directors present their report and the financial statements for the year ended 29 February 2004.

Principal activity

The company distributes protective caps and closures in the UK and Europe and has an exclusive distribution agreement with Caplugs LLC.

Results and dividends

The results for the year are set out on page 3.

During the year the company had sales of £372,357 (2003: £ 356,558) and a profit transferred to reserves of £10,627 (2003: £11,758).

Directors and directors' interests

The directors of the company, both of whom served during the year, were as follows:

P A Mutton
C C K Turner

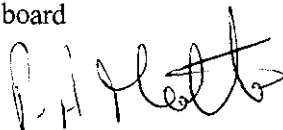
P A Mutton is the controlling shareholder in Mark IV plc which owns 72,500 A shares (2003 72,500) of the company.

C C K Turner owned 72,500 shares of the company throughout the year.

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

By order of the board

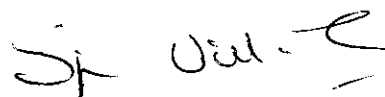
P A Mutton
Director



20th December 2004

Accountants' report on the unaudited accounts to the directors of Caplugs Limited

As described on the balance sheet, you are responsible for the preparation of the accounts for the year ended 29 February 2004 set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



**9 Albert Mews
Third Avenue
Hove
East Sussex
BN3 2PP**

**Spiro Williams & Co.
Chartered Accountants**

20th December 2004

Profit and loss account for the year ended 29 February 2004

| | Notes | 2004 £ | 2003 £ |
|---|-------|----------------------|----------------------|
| Turnover | 2 | 372,357 | 356,558 |
| Cost of sales | | 207,856 | 202,340 |
| Gross profit | | <u>164,501</u> | <u>154,218</u> |
| Distribution costs | | 24,731 | 24,360 |
| Administrative expenses | | 129,143 | 116,933 |
| Net Operating costs | | <u>153,874</u> | <u>141,293</u> |
| Operating profit on ordinary activities before interest and taxation | 4 | 10,627 | 12,925 |
| Interest payable | | - | 1,167 |
| Profit on ordinary activities before taxation | | <u>10,627</u> | <u>11,758</u> |
| Tax on profit on ordinary activities | 5 | - | - |
| Retained profit for the financial year | | <u><u>10,627</u></u> | <u><u>11,758</u></u> |

All the company's operations are classed as continuing.

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial years stated above, and their historical cost equivalents.

Balance sheet at 29 February 2004

| | Notes | 2004 £ | 2003 £ |
|--|-------|----------------|-----------|
| Fixed Assets | | | |
| Tangible assets | 6 | 2,764 | 7,287 |
| Current assets | | | |
| Stock | | 56,030 | 58,203 |
| Debtors | 7 | 89,408 | 62,688 |
| Cash at bank and in hand | | 56,744 | 77,894 |
| | | 202,182 | 198,785 |
| Creditors: amounts falling due within one year | 8 | 82,088 | 83,341 |
| Net current assets | | 120,094 | 115,444 |
| Total assets less current liabilities | | 122,858 | 122,731 |
| Creditors: amounts falling due after more than one year | 9 | 73,500 | 84,000 |
| Total net assets | | 49,358 | 38,731 |
| Capital and reserves | | | |
| Called-up share capital | 10 | 145,000 | 145,000 |
| Profit and loss account | 11 | (95,642) | (106,269) |
| Equity shareholders' funds | 12 | 49,358 | 38,731 |

In approving these accounts as directors of the company we hereby confirm:

- That for the year in question the company was entitled to the exemption conferred by section 249A(1) of the companies Act 1985:
- That no notice has been deposited at the registered office of the company pursuant to section 249B(2) requesting that an audit be conducted for the year to 29 February 2004:
- That we acknowledge our responsibilities for :
 - Ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985
 - Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the period then ended in accordance with the provisions of the Companies Acts relating to accounts, so far as applicable to the company.

The financial statements are prepared in accordance with the special provisions of Part VII of the companies Act 1985 relating to small companies.

The financial statements on pages 3 to 9 were approved by the board of directors on 20th December 2004 and were signed on its behalf by

P A Mutton
Director



Notes to the financial statements for the year ended 29 February 2004

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in existence for the foreseeable future.

Turnover

Turnover represents the invoiced value of goods and services sold less value added tax.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated to write off the cost of tangible fixed assets less estimated residual values, on a straight line basis over the expected useful economic lives of the asset concerned.

Office equipment 25 - 50%

Plant and equipment 10%

Stocks

Stocks are stated at the lower of cost or net realisable value. Cost represents all direct costs and attributable overheads incurred in bringing the stocks to their present state and location.

Deferred taxation

Deferred taxation arises as the result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax assets are not recognised on the balance sheet.

Foreign currency

Foreign currency assets and liabilities are translated at the rates ruling at the balance sheet date. Profit and loss account items are translated at rates of exchange ruling at the time the transaction was made unless governed by a contractual pre-determined rate of exchange. Foreign exchange differences are reflected in the results from ordinary activities.

Operating Leases

Amounts in respect of short-term hire (operating leases) are absorbed into the profit and loss account as incurred. These leases are ones which do not pass the risks and rewards of ownership to the lessee.

Pension scheme arrangements

The company does not operate a pension scheme.

**Notes to the financial statements
for the year ended 29 February 2004 (continued)**

2 Directors' emoluments

| | 2004 £ | 2003 £ |
|----------------------|---------------|---------------|
| Aggregate emoluments | <u>23,582</u> | <u>22,812</u> |

3 Employee information

The average number of persons (including executive directors) employed during the year was:

| | 2004 Number | 2003 Number |
|---------------------------------|----------------|----------------|
| By activity: | | |
| Administration and distribution | <u>2</u> | <u>2</u> |

4 Profit on ordinary activities before taxation

| | 2004 £ | 2003 £ |
|--|---------------|------------|
| Profit on ordinary activities before taxation is stated after charging: | | |
| Depreciation: | 5143 | 4,800 |
| (Gain) / loss on foreign currency | <u>(5971)</u> | <u>622</u> |

5 Tax on profit on ordinary activities

| | 2004 £ | 2003 £ |
|--|-----------|-----------|
| Current tax: | | |
| United Kingdom corporation tax charge at 0% (2003: 0%) | <u>-</u> | <u>-</u> |

No provision for corporation tax is necessary on the profit for the year in view of trading losses brought forward from earlier years.

**Notes to the financial statements
for the year ended 29 February 2004 (continued)**

6 Tangible fixed assets

| | Equipment |
|---|------------------|
| | £ |
| Cost | |
| At 1 st March 2003 | 14,211 |
| Additions | 620 |
| At 29th February 2004 | 14,831 |
| Depreciation | |
| At 1 st March 2003 | 6,924 |
| Charge for year | 5,143 |
| At 29th February 2004 | 12,067 |
| Net book value | |
| At 29th February 2004 | 2,764 |
| At 28 th February 2003 | 7,287 |

7 Debtors

| | 2004 | 2003 |
|---|-------------|-------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 89,408 | 62,688 |

8 Creditors: amounts falling due within one year

| | 2004 | 2003 |
|-----------------------------------|---------------|---------------|
| | £ | £ |
| Trade Creditors | 30,275 | 34,300 |
| Amounts owed to related companies | 11,706 | 6,128 |
| Accruals | 19,607 | 12,413 |
| Current portion of long-term debt | 10,500 | 10,500 |
| Short-term loan | 10,000 | 20,000 |
| | 82,088 | 83,341 |

Caplugs Limited
Notes to the financial statements
for the year ended 29 February 2004 (continued)

8

9 Creditors:
Amounts falling due after more than one year

The company has an interest free, unsecured loan repayable over ten years with an outstanding balance of £73,500 (2003 £ 84,000). The annual repayments are £10,500. Those instalments falling due after five years total £21,000.

10 Called-up share capital

| | 2004 | 2003 |
|--|----------------|----------------|
| | £ | £ |
| Authorised, allotted, called up and fully paid | | |
| 72,500 A Ordinary Shares of £1 each | 72,500 | 72,500 |
| 72,500 B Ordinary Shares of £1 each | 72,500 | 72,500 |
| | 145,000 | 145,000 |

The A and B Ordinary shares rank pari passu in all respects except for the appointment of directors and the quorum at general meetings

11 Profit and loss account

| | £ |
|--|-----------------|
| At 1 st March 2003 | (106,269) |
| Retained profit for the financial year | 10,627 |
| At 29 February 2004 | (95,642) |

**Notes to the financial statements
for the year ended 29 February 2004 (continued)****12 Reconciliation of movements in equity shareholders' funds**

| | 2004 £ | 2003 £ |
|------------------------------------|---------------|---------------|
| Opening equity shareholders' funds | 38,731 | 26,973 |
| Profit for the financial year | 10,627 | 11,758 |
| Closing equity shareholders' funds | <u>49,358</u> | <u>38,731</u> |

13 Deferred taxation

There is no actual or potential liability to deferred taxation. There is also no unrecognised deferred tax asset at 29 February 2004 (2003: £nil).

14 Capital commitments

There was no capital expenditure contracted for but not provided for in the financial statements at 29 February 2004 (2003: £nil).

15 Financial commitments

At 29 February 2004 the company had no annual commitments under non-cancellable operating leases (2003 £nil)

16 Related Party Transactions

Mark IV plc, a shareholder in the company, is controlled by P A Mutton and made management charges of £20,653+VAT (2003 £23,774 + VAT) during the year of which £11,706 (2003 £6,128) was an outstanding creditor at the year end.

P M Mutton, a shareholder in Mark IV plc, has made a short-term, interest-free loan of £10,000 (2003 £20,000) to the company, repayable on demand. The interest set up as payable in 2003 was waived.

17 Control

At 29 February 2004 no party individually was considered to have control of the company.