

Flora-tec Limited

**Abbreviated Financial Statements
For the Year Ending 30 June 2004**



Flora-tec Limited

Abbreviated Accounts

Year Ended 30 June 2004

Contents	Pages
Independent Auditors' Report to the Company	1
Abbreviated Balance Sheet	2
Notes to the Abbreviated Accounts	3 to 5

Flora-tec Limited

Independent Auditors' Report to the Company

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 30 June 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Directors and the Auditors

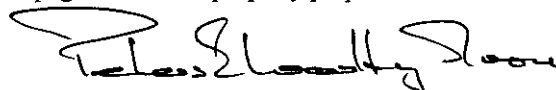
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and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

Basis of Opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



PETERS ELWORTHY & MOORE
Chartered Accountants
& Registered Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

20 December 2004

Flora-tec Limited

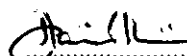
Abbreviated Balance Sheet

30 June 2004

	Note	£	2004 £	£	2003 £
Fixed Assets	2				
Intangible assets			291,513		335,808
Tangible assets			137,740		167,792
			<u>429,253</u>		<u>503,600</u>
Current Assets					
Stocks		120,565		112,598	
Debtors		231,834		219,540	
Cash at bank and in hand		250		548	
			<u>352,649</u>	<u>332,686</u>	
Creditors: Amounts Falling due Within One Year	3	596,427		494,083	
Net Current Liabilities			<u>(243,778)</u>		<u>(161,397)</u>
Total Assets Less Current Liabilities			<u>185,475</u>		<u>342,203</u>
Creditors: Amounts Falling due after More than One Year	4		205,986		303,885
			<u>(20,511)</u>		<u>38,318</u>
Capital and Reserves					
Called-up equity share capital	5		2		2
Profit and loss account			(20,513)		38,316
(Deficiency)/Shareholders' Funds			<u>(20,511)</u>		<u>38,318</u>

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

These abbreviated accounts were approved by the directors on 15 June 2004 and are signed on their behalf by:


Mr D C W Unwin

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

Flora-tec Limited

Notes to the Abbreviated Accounts

Year Ended 30 June 2004

1. Accounting Policies

Basis of accounting

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

Going Concern

The financial statements have been prepared under the going concern basis. Flora-tec Limited is a wholly owned subsidiary of UHH Limited who will continue to support the company for the foreseeable future.

Cash flow statement

In the opinion of the directors the company qualifies as a small company and accordingly a cash flow statement is not required.

Turnover

Turnover represents total amounts receivable, excluding value added tax, for goods supplied and services invoiced during the period.

Amortisation

Amortisation 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:

Goodwill - Straight line over five years/ten years

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	- 15% on the reducing balance
Motor Vehicles	- 25% on cost
Equipment	- 15% on the reducing balance

Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes direct expenditure and an appropriate proportion of fixed and variable overhead.

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.

Flora-tec Limited

Notes to the Abbreviated Accounts

Year Ended 30 June 2004

1. Accounting Policies *(continued)*

Pension costs

The Company's pension obligations are covered by a defined contribution scheme operated by the group. The assets of the scheme are held separately from those of the group. The Company's contributions are written off in the period in which they are incurred.

2. Fixed Assets

	Intangible Assets £	Tangible Assets £	Total £
Cost			
At 1 July 2003	398,029	277,032	675,061
Additions	—	32,126	32,126
Disposals	—	(31,721)	(31,721)
At 30 June 2004	398,029	277,437	675,466
Depreciation			
At 1 July 2003	62,221	109,240	171,461
Charge for year	44,295	56,313	100,608
On disposals	—	(25,856)	(25,856)
At 30 June 2004	106,516	139,697	246,213
Net Book Value			
At 30 June 2004	291,513	137,740	429,253
At 30 June 2003	335,808	167,792	503,600

3. Creditors: Amounts Falling due Within One Year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2004 £	2003 £
Bank loans and overdrafts	128,385	209,528
Hire purchase agreements	—	4,337
	128,385	213,865

4. Creditors: Amounts Falling due after More than One Year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2004 £	2003 £
Bank loans and overdrafts	205,986	303,885

Flora-tec Limited

Notes to the Abbreviated Accounts

Year Ended 30 June 2004

5. Share Capital

Authorised share capital:

	2004	2003
	£	£
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

6. Ultimate Parent Company

The ultimate holding company is UHH Limited, incorporated in England.