

SC243495

**BDF Holdings Limited****Abbreviated Financial Statements****Period Ended****31 January 2004**

# **BDF Holdings Limited**

## **Abbreviated financial statements for the period ended 31 January 2004**

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### **Directors**

W R Charters (appointed 8 May 2003)  
J E McKerchar (appointed 8 May 2003)  
A D Charters (appointed 8 May 2003)  
K D Loughran (appointed 8 May 2003)  
J W Smith (appointed 8 May 2003)

### **Secretary and registered office**

W R Charters, 64 Dalblair Road, Ayr, KA7 1UH

### **Company number**

243495

### **Auditors**

BDO Stoy Hayward LLP, 64 Dalblair Road, Ayr, KA7 1UH

### **Bankers**

Bank of Scotland, 123 St. Vincent Street, Glasgow G2 5EA

### **Solicitors**

McClure Naismith, 292 St Vincent Street, Glasgow, G2 5TQ

## **BDF Holdings Limited**

### **Report of the directors for the period ended 31 January 2004**

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The directors present their report together with the audited financial statements for the period ended 31 January 2004.

#### **Results and dividends**

The profit and loss account is set out on page 4 and shows the profit for the period.

#### **Principal activities, review of business and future developments**

The company's principal activity is that of a management company.

In May 2003 BDF Holdings Limited acquired the entire issued share capital of BDF Healthcare Limited, a company incorporated in Scotland.

The directors are happy with progress made and are confident of satisfactory results for the current year.

#### **Incorporation**

The company was incorporated in Scotland on 6 February 2003 as St. Vincent Street (383) Limited and changed its name to BDF Holdings Limited on 14 April 2003 by special resolution. The company commenced trading on 8 May 2003.

#### **Directors**

The directors of the company during the period and their interests in the ordinary share capital of the company were:

	'A' Ordinary shares of £1 each		'B' Ordinary shares of £1 each	
	31 January 2004	6 February 2003	31 January 2004	6 February 2003
W R Charters	78,000	-	-	-
J E McKerchar	85,500	-	-	-
A D Charters	-	-	37,500	-
K D Loughran	-	-	37,500	-
J W Smith	-	-	37,500	-

## **BDF Holdings Limited**

### **Report of the directors for the period ended 31 January 2004 (*Continued*)**

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#### **Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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. They 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.

#### **Auditors**

On 31 December 2003, BDO Stoy Hayward, the company's auditors, transferred its business to BDO Stoy Hayward LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. Accordingly BDO Stoy Hayward resigned as auditors on that date and the directors appointed BDO Stoy Hayward LLP as its successor. A resolution to re-appoint BDO Stoy Hayward LLP as auditors will be proposed at the next annual general meeting.

#### **By order of the board**

W R Charters



**Company Secretary**

28 April 2004

## **BDF Holdings Limited**

### **Report of the independent auditors**

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#### **Independent auditors' report to BDF Holdings Limited under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages 4 to 16 together with the financial statements of the company for the period ended 31 January 2004 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 246A 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 section 246A(3) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### *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 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 full financial statements.

#### *Opinion*

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Companies Act 1985 and the abbreviated financial statements on pages 4 to 16 are properly prepared in accordance with that provision.



**BDO STOY HAYWARD LLP**

*Chartered Accountants  
and Registered Auditors  
Ayr*

28 April 2004

**BDF Holdings Limited****Profit and loss account for the 9 months ended 31 January 2004**

	Note	9 Months Period 31 January 2004 £
Administrative expenses		178,455
<b>Operating loss</b>		<b>(178,455)</b>
Income from shares in group undertakings		1,200,000
Interest receivable	2	23,616
Interest payable and similar charges	3	(168,649)
<b>Profit on ordinary activities before and after taxation for the financial period</b>		<b>876,512</b>

All amounts relate to continuing activities.

All recognised gains and losses in the current period are included in the profit and loss account.

The notes on pages 7 to 16 form part of these financial statements.

**BDF Holdings Limited****Balance sheet at 31 January 2004**

	Note	31 January 2004 £	31 January 2004 £
<b>Fixed assets</b>			
Fixed asset investments	6		5,650,000
<b>Current assets</b>			
Debtors	7	1,200,000	
Cash at bank and in hand		525,131	
		<u>1,725,131</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>3,058,619</u>	
<b>Net current liabilities</b>			<u>(1,333,488)</u>
<b>Total assets less current liabilities</b>			<u>4,316,512</u>
<b>Creditors: amounts falling due after more than one year</b>	9		<u>3,140,000</u>
			<u>1,176,512</u>
<b>Capital and reserves</b>			
Called up share capital	10		300,000
Profit and loss account	11		876,512
			<u>1,176,512</u>
<b>Equity shareholders' funds</b>	12		<u>1,176,512</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 28 April 2004.



A D Charters  
Director

The notes on pages 7 to 16 form part of these financial statements.

**BDF Holdings Limited****Cash flow statement for the period ended 31 January 2004**

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	Note	9 Months Period 31 January 2004 £
Net cash inflow from operating activities	15	390,314
Returns on investments and servicing of finance	16	(145,033)
Capital expenditure and financial investment	16	(5,650,000)
Cash outflow before financing		(5,404,719)
Financing	16	5,846,254
Increase in cash	17	441,535

The notes on pages 7 to 16 form part of these financial statements.



**1 Accounting policies**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

*Consolidated financial statements*

The company is exempt from the requirement to prepare consolidated financial statements by virtue of section 248 of the Companies Act 1985 as the group it heads qualifies as a medium sized group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

*Turnover*

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

*Valuation of investments*

Investments held as fixed assets are stated at cost less any provision for impairment. Investments held as current assets are stated at the lower of cost and net realisable value.

*Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

**BDF Holdings Limited****Notes forming part of the financial statements for the period ended 31 January 2004 (Continued)**

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**2 Interest receivable****9 Months  
Period  
31 January  
2004  
£**

Bank deposits	9,141
Loans to group companies	14,475
	<hr/>
	23,616
	<hr/>

**3 Interest payable and similar charges****9 Months  
Period  
31 January  
2004  
£**

Bank overdraft interest	1,508
Bank term loan	14,475
Interest on loan notes	152,666
	<hr/>
	168,649
	<hr/>

**4 Employees**

The company incurred no staff costs during the year. The company had 5 employees during the year.

**5 Taxation on profit on ordinary activities**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	<b>9 Months Period 31 January 2004 £</b>
Profit on ordinary activities before tax	<b>876,512</b>
	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30%	<b>262,954</b>
Effect of:	
Expenses not deductible for tax purposes	<b>8,475</b>
Non taxable group dividends	<b>(360,000)</b>
Surrendered to other group company	<b>88,571</b>
	<hr/>
Current tax charge for period	<b>-</b>
	<hr/>

## BDF Holdings Limited

Notes forming part of the financial statements for the period ended 31 January 2004 (*Continued*)

### 6 Fixed asset investments

	Investment in subsidiaries £
<i>Cost</i>	
Additions and at 31 January 2004	5,650,000

#### *Subsidiary undertakings*

The principal undertakings in which the company's interest at the period end is 20% or more are as follows:

	Country of incorporation or registration	Class of share capital held	Proportion of share capital held	Nature of business
<i>Subsidiary undertakings</i>				
BDF Limited	Scotland	Ordinary	100%	Manufacture and supply of medical textiles.
BDF Healthcare Limited	Scotland	Ordinary	100%	Manufacture and supply of medical textiles.

During May 2003 a share exchange agreement was carried out. The shareholders in BDF Healthcare Limited received a shareholding in BDF Holdings Limited and their shares in BDF Healthcare Limited were transferred to BDF Holdings Limited. BDF Healthcare Limited is now a subsidiary of BDF Holdings Limited. BDF Limited is a 100% fully owned subsidiary of BDF Healthcare Limited.

The following figures have been extracted from audited financial statements of the company's subsidiaries for the period ended 31 January 2004:

	Aggregate share capital and reserves 31 January 2004 £	Profit for the period 31 January 2004 £
<i>Subsidiary undertakings</i>		
BDF Limited	1,531,067	482,505
BDF Healthcare Limited	102,403	662,944

**BDF Holdings Limited****Notes forming part of the financial statements for the period ended 31 January 2004 (Continued)**

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**7 Debtors**

31 January  
2004  
£

Dividends receivable	1,200,000
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All amounts shown under debtors fall due for payment within one year.

**8 Creditors: amounts falling due within one year**

31 January  
2004  
£

Bank loans and overdrafts (secured)	116,850
4% secured loan notes	2,373,000
Amounts owed to group undertakings	503,465
Accruals and deferred income	65,304

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3,058,619

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The bank borrowings are secured by a Bond and Floating Charge over the whole assets of the company together with a cross corporate guarantee provided by other group companies.

The 4% secured loan notes are secured by a guarantee facility provided by the company's bankers. The maximum guarantee facility available is £2,373,000 and this is reduced by sums held in the cash collateral account. At 31 January 2004 sums held in the cash collateral account amounted to £525,131.

The 4% secured loan stock is repayable on demand at its par value anytime from 8 May 2004 until 30 May 2013.

**9 Creditors: amounts falling due after more than one year**

31 January  
2004  
£

Bank loans	315,000
4% unsecured loan stock	2,825,000

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3,140,000

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**9 Creditors: amounts falling due after more than one year (Continued)**

Maturity of debt:

	<b>Loans and overdrafts 31 January 2004 £</b>
In one year or less, or on demand	2,489,850
In more than one year but not more than two years	20,000
In more than two years but not more than five years	60,000
In more than five years	3,060,000
	<b>3,140,000</b>

Included in creditors due after more than one year are the following amounts repayable in more than five years:

	<b>31 January 2004 £</b>
Loans	3,060,000

The bank loans are repayable by instalments, with the outstanding balance attracting interest at between 2.0% and 3.5% over the Bank of Scotland base rate. The bank loans are secured by a Bond and Floating Charge over the whole assets of the company together with a cross guarantee provided by other group companies.

The 4% unsecured loan notes amounting to £2,825,000 are not redeemable until 30 May 2013, when they are redeemable in full.

## BDF Holdings Limited

Notes forming part of the financial statements for the period ended 31 January 2004 (*Continued*)

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### 10 Share capital

	Authorised 31 January 2004 £	Allotted, called up and fully paid 31 January 2004 £
<i>Equity share capital</i>		
'A' Ordinary shares of £1 each	187,500	187,500
'B' Ordinary shares of £1 each	112,500	112,500
	<hr/>	<hr/>
	300,000	300,000
	<hr/>	<hr/>

Both classes of ordinary shares rank pari passu in all respects including voting rights and rights to receive dividends and distributions whether of a capital or revenue nature except for some restrictions on transfer of the 'B' ordinary shares.

### 11 Reserves

	Profit and loss account £
Profit for the period	876,512
	<hr/>
At 31 January 2004	876,512
	<hr/>

**12 Reconciliation of movements in shareholder's funds**

	9 Months Period 31 January 2004 £
Profit for the period	876,512
Issue of shares	300,000
	<hr/>
Net additions to, and closing shareholder's funds	1,176,512
	<hr/>

**13 Contingent liabilities**

The company has guaranteed bank borrowings of its subsidiaries. At the period end the liabilities covered by these guarantees totalled £NIL.

Bank borrowings are secured by a cross corporate guarantee consisting of a Bond and Floating Charge over the whole assets of the company.

**14 Related party disclosures***Controlling parties*

No single party has overall control of the company. The directors of the company hold 92% of the issued share capital.

*Related party transactions and balances*

	Sales to related party £	Purchases from related party £	Amounts owed to related party £
BDF Limited	-	-	23,525
BDF Healthcare Limited	-	-	479,940

BDF Limited is a wholly owned subsidiary of BDF Healthcare Limited which is a wholly owned subsidiary of BDF Holdings Limited..



**15 Reconciliation of operating loss to net cash inflow from operating activities**

	<b>9 Months Period 31 January 2004 £</b>
Operating loss	(178,455)
Increase in creditors	568,769
	<hr/>
Net cash inflow from operating activities	390,314
	<hr/>

**16 Analysis of cash flows for headings netted in the cash flow statement**

	<b>9 Months Period 31 January 2004 £</b>
<b>Returns on investment and servicing of finance</b>	
Interest received	23,616
Interest paid: other	(168,649)
	<hr/>
	(145,033)
	<hr/>
<b>Capital expenditure and financial investment</b>	
Payments to acquire fixed asset investments	(5,650,000)
	<hr/>
<b>Financing</b>	
Share capital issued	300,000
New loans	5,548,000
Loans repaid	(1,746)
	<hr/>
	5,846,254
	<hr/>

**17 Reconciliation of net cash flow to movement in net funds**

	<b>9 Months Period 31 January 2004 £</b>
Increase in cash	441,535
Cash inflow from changes in debt	(5,546,254)
Movement in net debt	(5,104,719)
Opening net funds	-
Closing net (debt)/funds	(5,104,719)

**18 Analysis of net funds**

	<b>Cash flow £</b>	<b>Other non- cash items £</b>	<b>At 31 January 2004 £</b>
Cash at bank and in hand	525,131	-	525,131
Bank overdrafts	(83,596)	-	(83,596)
	441,535		
Debt due within one year	(5,546,254)	3,140,000	(2,406,254)
Debt due after one year	-	(3,140,000)	(3,140,000)
Total	(5,104,719)	-	(5,104,719)