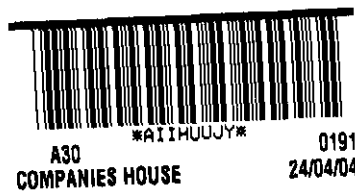


Company Registration No. 2143761 (England and Wales)

P F M PACKAGING MACHINERY LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2003



P F M PACKAGING MACHINERY LIMITED

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P F M PACKAGING MACHINERY LIMITED

**INDEPENDENT AUDITORS' REPORT TO P F M PACKAGING MACHINERY LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31 December 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, 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 members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and 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 to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we considered 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 Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Holeys

9 March 2004

Chartered Accountants
Registered Auditor

15/17 North Park Road
Harrogate
North Yorkshire
HG1 5PD

P F M PACKAGING MACHINERY LIMITED

**ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2003**

	Notes	2003 £	2002 £
Fixed assets			
Tangible assets	2	145,805	117,285
Current assets			
Stocks		229,108	226,072
Debtors	3	565,196	231,200
Investments		100	100
Cash at bank and in hand		407,719	234,140
		<u>1,202,123</u>	<u>691,512</u>
Creditors: amounts falling due within one year	4	<u>(1,037,826)</u>	<u>(665,919)</u>
Net current assets		<u>164,297</u>	<u>25,593</u>
Total assets less current liabilities		<u>310,102</u>	<u>142,878</u>
Creditors: amounts falling due after more than one year		(183,721)	(28,351)
Provisions for liabilities and charges		<u>(3,288)</u>	<u>(3,370)</u>
		<u>123,093</u>	<u>111,157</u>
Capital and reserves			
Called up share capital	5	61,000	61,000
Profit and loss account		62,093	50,157
Shareholders' funds - equity interests		<u>123,093</u>	<u>111,157</u>

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

The financial statements were approved by the Board on 9 March 2004

E Fioravanti
E Fioravanti
Director

P F M PACKAGING MACHINERY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% Reducing balance
Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Straight Line

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Current asset investments are stated at the lower of cost and net realisable value.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.9 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

P F M PACKAGING MACHINERY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the average rate ruling in the month of the transaction. All differences are taken to profit and loss account.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of PFM SpA, a company incorporated in Italy, and is included in the consolidated accounts of that company.

2 Fixed assets

	Tangible assets £
Cost	
At 1 January 2003	211,563
Additions	76,112
Disposals	(6,009)
	<hr/>
At 31 December 2003	281,666
	<hr/>
Depreciation	
At 1 January 2003	94,278
On disposals	(4,206)
Charge for the year	45,789
	<hr/>
At 31 December 2003	135,861
	<hr/>
Net book value	
At 31 December 2003	145,805
	<hr/>
At 31 December 2002	117,285
	<hr/>

3 Debtors

Debtors include an amount of £5,250 (2002- £-) which is due after more than one year.

4 Creditors: amounts falling due within one year

The bank overdraft amounting to £21,331 (2002 - £80,901) is secured.

P F M PACKAGING MACHINERY LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

5	Share capital	2003	2002
		£	£
	Authorised		
	100,000 Ordinary shares of £1 each	100,000	100,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	61,000 Ordinary shares of £1 each	61,000	61,000
		<u> </u>	<u> </u>

6 **Ultimate parent company**

The ultimate parent company is PFM S.p.A., a company registered in Italy.