

Abbreviated Financial Statements for the Year Ended 31st October 2002

for

Plastic Technology Services Limited



**Plastic Technology Services Limited**

**Contents of the Financial Statements**  
**for the Year Ended 31st October 2002**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors on the Abbreviated Financial Statements</b>	<b>3</b>
<b>Abbreviated Profit and Loss Account</b>	<b>4</b>
<b>Abbreviated Balance Sheet</b>	<b>5</b>
<b>Cash Flow Statement</b>	<b>6</b>
<b>Notes to the Cash Flow Statement</b>	<b>7</b>
<b>Notes to the Abbreviated Financial Statements</b>	<b>9</b>

**Plastic Technology Services Limited**

**Company Information**  
**for the Year Ended 31st October 2002**

**DIRECTORS:**

K N Currie  
J J Currie

**SECRETARY:**

Mrs M Brown

**REGISTERED OFFICE:**

Garroch Business Park  
Dumfries  
Dumfries & Galloway  
DG2 8PN

**REGISTERED NUMBER:**

133850 (Scotland)

**AUDITORS:**

Farries, Kirk and McVean  
Chartered Accountants  
30 Castle Street  
Dumfries  
DG1 1EN

**BANKERS:**

The Royal Bank of Scotland  
Glasgow City Branch  
10 Gordon Street  
Glasgow  
G1 3PL

**SOLICITORS:**

McJerrow and Stevenson  
55 High Street  
Lockerbie  
DG11 2JJ

**Plastic Technology Services Limited**

**Report of the Directors**  
**for the Year Ended 31st October 2002**

The directors present their report with the financial statements of the company for the year ended 31st October 2002.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the salvage and processing of plastic waste materials.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIVIDENDS**

No dividends will be distributed for the year ended 31st October 2002.

**DIRECTORS**

The directors during the year under review were:

K N Currie

D Antrobus

J J Currie

- appointed 1.2.02

The beneficial interests of the directors holding office on 31st October 2002 in the issued share capital of the company were as follows:

	31.10.02	1.11.01 or date of appointment if later
<b>Ordinary £1 shares</b>		
K N Currie	60,000	60,000
D Antrobus	-	-
J J Currie	-	-

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year 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;
- 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**

The auditors, Farries, Kirk and McVean, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**



K N Currie - DIRECTOR

Dated: 17th February 2003

**Plastic Technology Services Limited**

**Report of the Independent Auditors to**  
**Plastic Technology Services Limited**  
**Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages four to fourteen, together with the full financial statements of the company for the year ended 31st October 2002 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

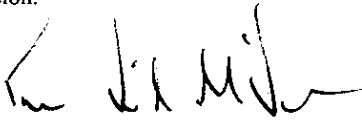
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance 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.

**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 four to fourteen are properly prepared in accordance with that provision.



Farries, Kirk and McVean  
Chartered Accountants  
30 Castle Street  
Dumfries  
DG1 1EN

Dated: 17th February 2003

**Plastic Technology Services Limited**

**Abbreviated Profit and Loss Account**  
**for the Year Ended 31st October 2002**

2001			2002
£		Notes	£
568,597	<b>GROSS PROFIT</b>		620,618
776,833	Administrative expenses		690,716
(208,236)	<b>OPERATING LOSS</b>	3	(70,098)
-	Bad debt	4	138,247
(208,236)			(208,345)
52,895	Interest payable and similar charges	5	33,876
(261,131)	<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(242,221)
(82,124)	Tax on loss on ordinary activities	6	(24,812)
(179,007)	<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(217,409)
1,057,339	Retained profit brought forward		878,332
<u>£878,332</u>	<b>RETAINED PROFIT CARRIED FORWARD</b>		<u>£660,923</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the losses for the current and previous years.

**31st October 2002**

2001			2002	
£	£	Notes	£	£
1,162,027				
	<b>FIXED ASSETS:</b>			
	Tangible assets	7		870,046
	<b>CURRENT ASSETS:</b>			
	Stocks	8	109,775	
	Debtors	9	582,929	
	1,028,602		692,704	
	<b>CREDITORS:</b> Amounts falling due within one year	10	778,455	
(90,018)	<b>NET CURRENT LIABILITIES:</b>			(85,751)
1,072,009	<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			784,295
(133,677)	<b>CREDITORS:</b> Amounts falling due after more than one year	11		(88,304)
-	<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	13		24,932
£938,332				£720,923
	<b>CAPITAL AND RESERVES:</b>			
60,000	Called up share capital	14		60,000
878,332	Profit and loss account			660,923
£938,332	<b>SHAREHOLDERS' FUNDS:</b>	16		£720,923

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

**ON BEHALF OF THE BOARD:**

KW Pin

K N Currie - DIRECTOR

Approved by the Board on 17th February 2003

The notes form part of these financial statements

**Cash Flow Statement**  
**for the Year Ended 31st October 2002**

Page 6



**Plastic Technology Services Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31st October 2002**

**1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	2002 £	2001 £
Operating loss	(70,098)	(208,236)
Depreciation charges	262,523	331,296
Loss on sale of fixed assets	5,070	-
Profit on sale of fixed assets	(14,244)	(29,456)
Exceptional bad debt	(138,247)	-
Government grants	(5,536)	(5,536)
Decrease/(Increase) in stocks	74,287	(29,677)
Decrease/(Increase) in debtors	256,422	(497,737)
(Decrease)/Increase in creditors	(457,896)	303,412
<b>Net cash outflow from operating activities</b>	<b>(87,719)</b>	<b>(135,934)</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2002 £	2001 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(13,580)	(16,790)
Interest element of hire purchase or finance lease rentals payments	(20,296)	(36,105)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(33,876)</b>	<b>(52,895)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(3,787)	(318,631)
Sale of tangible fixed assets	42,419	182,500
<b>Net cash inflow/(outflow) for capital expenditure</b>	<b>38,632</b>	<b>(136,131)</b>

The notes form part of these financial statements

**Plastic Technology Services Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31st October 2002**

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.11.01 £	Cash flow £	At 31.10.02 £
Net cash:			
Cash at bank	-	-	-
Bank overdrafts	(48,497)	(77,894)	(126,391)
	<u>(48,497)</u>	<u>(77,894)</u>	<u>(126,391)</u>
Debt:			
Hire purchase or finance leases	(224,234)	175,278	(48,956)
	<u>(224,234)</u>	<u>175,278</u>	<u>(48,956)</u>
Total	<u>(272,731)</u>	<u>97,384</u>	<u>(175,347)</u>
<b>Analysed in Balance Sheet</b>			
Bank overdrafts	(48,497)		(126,391)
Hire purchase or finance leases			
within one year	(175,279)		(31,485)
after one year	(48,955)		(17,471)
	<u>(272,731)</u>		<u>(175,347)</u>

**Plastic Technology Services Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31st October 2002**

1. **ACCOUNTING POLICIES**

**Accounting convention**

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

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- at varying rates on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Net realisable value is based on estimated selling price less further costs expected to be incurred to realisation.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**Government grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal, annual instalments.

2. **STAFF COSTS**

	2002	2001
	£	£
Wages and salaries	603,128	819,397
Social security costs	55,712	72,222
Other pension costs	17,196	11,082
	<u>676,036</u>	<u>902,701</u>

The average monthly number of employees during the year was as follows:

	2002	2001
Directors	3	2
Office and management	8	4
Direct employees	20	34
	<u>31</u>	<u>40</u>

**Plastic Technology Services Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31st October 2002**

**3. OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2002 £	2001 £
Hire of plant and machinery	198,291	181,004
Depreciation - owned assets	241,983	241,541
Depreciation - assets on hire purchase contracts or finance leases	20,540	89,755
Profit on disposal of fixed assets	(9,174)	(29,456)
Auditors' remuneration	6,000	6,000
	<u>67,747</u>	<u>53,692</u>
Directors' emoluments	<u>67,747</u>	<u>53,692</u>

**4. EXCEPTIONAL ITEMS**

A major debtor of the company entered administration during the period under review. On the basis of prudence it has been decided to provide against this debt in full and, due to the size of the debt, this has been treated as an exceptional item.

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2002 £	2001 £
Bank interest	13,580	16,790
Hire purchase	20,296	36,105
	<u>33,876</u>	<u>52,895</u>

**6. TAXATION**

**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows:

	2002 £	2001 £
Current tax:		
UK corporation tax	-	(5,749)
Previous year adjustment	-	560
Corporation tax interest	120	-
Total current tax	<u>120</u>	<u>(5,189)</u>
Deferred tax:		
Deferred taxation	(24,932)	(76,935)
Tax on loss on ordinary activities	<u>(24,812)</u>	<u>(82,124)</u>

**Plastic Technology Services Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 31st October 2002**

**7. TANGIBLE FIXED ASSETS**

	Totals	Buildings	Plant and machinery	Fixtures and fittings	Motor vehicles
	£	£	£	£	£
<b>COST:</b>					
At 1st November 2001	1,890,449	326,900	1,423,799	89,654	50,096
Additions	3,787	-	3,787	-	-
Disposals	(148,514)	-	(106,254)	(15,550)	(26,710)
At 31st October 2002	1,745,722	326,900	1,321,332	74,104	23,386
<b>DEPRECIATION:</b>					
At 1st November 2001	728,422	21,248	639,871	59,650	7,653
Charge for year	262,523	6,538	229,101	19,734	7,150
Eliminated on disposals	(115,269)	-	(95,329)	(11,471)	(8,469)
At 31st October 2002	875,676	27,786	773,643	67,913	6,334
<b>NET BOOK VALUE:</b>					
At 31st October 2002	870,046	299,114	547,689	6,191	17,052
At 31st October 2001	1,162,027	305,652	783,928	30,004	42,443

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	Totals	Plant and machinery	Motor vehicles
	£	£	£
<b>COST:</b>			
At 1st November 2001	621,188	571,092	50,096
Transferred to ownership	(520,121)	(493,411)	(26,710)
At 31st October 2002	101,067	77,681	23,386
<b>DEPRECIATION:</b>			
At 1st November 2001	160,999	153,346	7,653
Charge for year	20,540	14,693	5,847
Transferred to ownership	(148,330)	(141,164)	(7,166)
At 31st October 2002	33,209	26,875	6,334
<b>NET BOOK VALUE:</b>			
At 31st October 2002	67,858	50,806	17,052
At 31st October 2001	460,189	417,746	42,443

**8. STOCKS**

	2002	2001
	£	£
Raw materials	56,195	140,314
Finished goods	42,629	29,380
Machine parts	10,951	14,368
	109,775	184,062

**Plastic Technology Services Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31st October 2002**

**9. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2002 £	2001 £
Trade debtors	568,273	803,897
Other debtors	-	10,234
Prepayments	14,656	25,220
Taxation	-	5,189
	<u>582,929</u>	<u>844,540</u>

**10. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2002 £	2001 £
Bank loans and overdrafts (see note 12)	126,391	48,497
DGE loan (see note 12)	29,167	15,278
Trade creditors	364,742	569,509
Hire purchase	31,485	175,279
Other creditors	97	-
Loan - Currie Group Holdings	60,005	698
Loan - P.T.S (North West) Ltd	-	61,005
Social security & other taxes	38,126	24,935
Accrued expenses	128,442	217,884
Deferred government grants	-	5,535
	<u>778,455</u>	<u>1,118,620</u>

**11. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

	2002 £	2001 £
DGE loan (see note 12)	70,833	84,722
Hire purchase	17,471	48,955
	<u>88,304</u>	<u>133,677</u>

**Plastic Technology Services Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31st October 2002**

**12. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	2002 £	2001 £
Amounts falling due within one year or on demand:		
Bank overdrafts	126,391	48,497
DGE loan	29,167	15,278
	<u>155,558</u>	<u>63,775</u>
Amounts falling due between one and two years:		
DGE loan	<u>27,778</u>	<u>29,167</u>
Amounts falling due between two and five years:		
DGE loan	<u>43,055</u>	<u>55,555</u>

**13. PROVISIONS FOR LIABILITIES AND CHARGES**

	2002 £	2001 £
Deferred taxation	(24,932)	-
	<u>Deferred tax</u>	
	<u>£</u>	
Asset provided for in year	(24,932)	
Balance at 31st October 2002	<u>(24,932)</u>	

**14. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	2002 £	2001 £
250,000	Ordinary	£1	<u>250,000</u>	<u>250,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2002 £	2001 £
60,000	Ordinary	£1	<u>60,000</u>	<u>60,000</u>

**15. ULTIMATE PARENT COMPANY**

The ultimate parent of the company is Currie Group Holdings Limited, which is registered in Scotland.

**Plastic Technology Services Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31st October 2002**

16. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2002 £	2001 £
Loss for the financial year	(217,409)	(179,007)
<b>Net reduction of shareholders' funds</b>	<b>(217,409)</b>	<b>(179,007)</b>
Opening shareholders' funds	938,332	1,117,339
<b>Closing shareholders' funds</b>	<b>720,923</b>	<b>938,332</b>
Equity interests	720,923	938,332