

SC 133850

Report of the Directors and
Financial Statements for the Year Ended 31st October 2000
for
Plastic Technology Services Limited



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Plastic Technology Services Limited

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for the Year Ended 31st October 2000

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Plastic Technology Services Limited

Company Information
for the Year Ended 31st October 2000

DIRECTORS:	K N Currie D Antrobus
SECRETARY:	Mrs Mary Brown
REGISTERED OFFICE:	Garroch Business Park Dumfries Dumfries & Galloway DG2 8PN
REGISTERED NUMBER:	133850 (Scotland)
AUDITORS:	FARRIES, KIRK & McVEAN Chartered Accountants Registered Auditors 30 Castle Street DUMFRIES DG1 1EN
BANKERS:	The Royal Bank Of Scotland 151 High Street Dumfries Dumfries & Galloway DG1 2RA
SOLICITORS:	McJerrow and Stevenson 55 High Street Lockerbie DG11 2JJ

Plastic Technology Services Limited

Report of the Directors
for the Year Ended 31st October 2000

The directors present their report with the financial statements of the company for the year ended 31st October 2000.

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 2000.

FUTURE DEVELOPMENTS

On 1st December, 2000, the company merged with it's fellow group company, PTS (North West) Limited.

DIRECTORS

The directors during the year under review were:

K N Currie

D Antrobus

- appointed 30/5/00

The directors holding office at 31st October 2000 did not hold any beneficial interest in the issued share capital of the company at 1st November 1999 (or date of appointment if later) or 31st October 2000.

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 & 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: 1st March 2001

Plastic Technology Services Limited

Report of the Auditors to the Shareholders of
Plastic Technology Services Limited

We have audited the financial statements on pages four to thirteen which have been prepared under the historical cost convention and the accounting policies set out on page nine.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

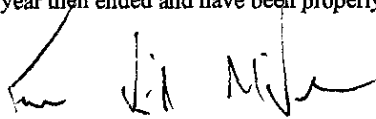
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st October 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



FARRIES, KIRK & McVEAN
Chartered Accountants
Registered Auditors
30 Castle Street
DUMFRIES
DG1 1EN

Dated: 1st March 2001

Plastic Technology Services Limited

Profit and Loss Account
for the Year Ended 31st October 2000

<u>1999</u>			<u>2000</u>
£		Notes	£
1,604,796	TURNOVER		2,241,929
<u>1,085,822</u>	Cost of sales		<u>1,650,106</u>
518,974	GROSS PROFIT		591,823
<u>341,934</u>	Administrative expenses		<u>433,737</u>
177,040			158,086
<u>4,286</u>	Other operating income		<u>5,536</u>
181,326	OPERATING PROFIT	3	163,622
<u>28,631</u>	Interest payable and similar charges	4	<u>32,138</u>
152,695	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		131,484
<u>46,537</u>	Tax on profit on ordinary activities	5	<u>(9,587)</u>
106,158	PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		141,071
<u>810,110</u>	Retained profit brought forward		<u>916,268</u>
<u>£916,268</u>	RETAINED PROFIT CARRIED FORWARD		<u>£1,057,339</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 profits for the current and previous years.

The notes form part of these financial statements

Plastic Technology Services Limited

Balance Sheet
31st October 2000

1999			2000	
£	£	Notes	£	£
1,016,229		FIXED ASSETS:		
		Tangible assets		1,327,736
		CURRENT ASSETS:		
	36,126	Stocks	154,385	
	374,564	Debtors	341,614	
	273,511	Cash at bank	281,552	
	684,201		777,551	
	618,620	CREDITORS: Amounts falling	674,351	
		due within one year		
65,581		NET CURRENT ASSETS:		103,200
1,081,810		TOTAL ASSETS LESS CURRENT		
		LIABILITIES:		1,430,936
(10,855)		CREDITORS: Amounts falling		
		due after more than one year		(236,662)
(94,687)		PROVISIONS FOR LIABILITIES		
		AND CHARGES:		(76,935)
<u>£976,268</u>				<u>£1,117,339</u>
		CAPITAL AND RESERVES:		
60,000		Called up share capital		60,000
916,268		Profit and loss account		1,057,339
<u>£976,268</u>		SHAREHOLDERS' FUNDS:		<u>£1,117,339</u>

ON BEHALF OF THE BOARD:



K N Currie - DIRECTOR

Approved by the Board on 1st March 2001

The notes form part of these financial statements

Plastic Technology Services Limited

Cash Flow Statement
for the Year Ended 31st October 2000

1999			2000	
£	£	Notes	£	£
397,361		Net cash inflow from operating activities		582,878
(28,631)		Returns on investments and servicing of finance		(32,138)
(68,402)		Taxation		(69,987)
53,488		Capital expenditure		(572,712)
<u>353,816</u>				<u>(91,959)</u>
-		Financing		100,000
<u>£353,816</u>		Increase in cash in the period		<u>£8,041</u>
		Reconciliation of net cash flow to movement in net funds		
		3		
	353,816	Increase in cash in the period	8,041	
	244,515	Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	<u>(87,873)</u>	
598,331		Change in net funds resulting from cash flows		<u>(79,832)</u>
598,331		Movement in net funds in the period		<u>(79,832)</u>
(510,511)		Net funds/(debt) at 1st November		<u>87,820</u>
<u>£87,820</u>		Net funds at 31st October		<u>£7,988</u>

The notes form part of these financial statements

Plastic Technology Services Limited

Notes to the Cash Flow Statement
for the Year Ended 31st October 2000

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2000 £	1999 £
Operating profit	163,622	181,326
Depreciation charges	265,562	222,528
Loss on sale of fixed assets	-	3
Profit on sale of fixed assets	(4,357)	-
Bad debt provision reduction	(1,000)	-
Government grants	(5,536)	(4,286)
Increase in stocks	(118,259)	(5,817)
Decrease in debtors	32,950	119,298
Increase/(Decrease) in creditors	249,896	(115,691)
Net cash inflow from operating activities	582,878	397,361

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

	2000 £	1999 £
Returns on investments and servicing of finance		
Interest paid	(56)	-
Interest element of hire purchase or finance lease rentals payments	(32,082)	(28,631)
Net cash outflow for returns on investments and servicing of finance	(32,138)	(28,631)
Capital expenditure		
Purchase of tangible fixed assets	(583,111)	(45,563)
Sale of tangible fixed assets	10,399	99,051
Net cash (outflow)/inflow for capital expenditure	(572,712)	53,488
Financing		
New loan taken out in year	100,000	-
Net cash inflow from financing	100,000	-

Plastic Technology Services Limited

Notes to the Cash Flow Statement
for the Year Ended 31st October 2000

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/11/99 £	Cash flow £	At 31/10/00 £
Net cash:			
Cash at bank	273,511	8,041	281,552
	<u>273,511</u>	<u>8,041</u>	<u>281,552</u>
Debt:			
Hire purchase or finance leases	(185,691)	(87,873)	(273,564)
	<u>(185,691)</u>	<u>(87,873)</u>	<u>(273,564)</u>
Total	<u>87,820</u>	<u>(79,832)</u>	<u>7,988</u>
Analysed in Balance Sheet			
Cash at bank	273,511		281,552
Hire purchase or finance leases			
within one year	(174,836)		(136,902)
after one year	(10,855)		(136,662)
	<u>87,820</u>		<u>7,988</u>

The notes form part of these financial statements

Plastic Technology Services Limited

Notes to the Financial Statements
for the Year Ended 31st October 2000

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 taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

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

	2000	1999
	£	£
Wages and salaries	485,045	375,314
Social security costs	41,792	34,643
Other pension costs	5,336	4,928
	<hr/>	<hr/>
	532,173	414,885
	<hr/>	<hr/>

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

	2000	1999
Directors	2	1
Office and management	4	4
Direct employees	20	17
	<hr/>	<hr/>
	26	22
	<hr/>	<hr/>

Plastic Technology Services Limited

Notes to the Financial Statements
for the Year Ended 31st October 2000

3. OPERATING PROFIT

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

	2000 £	1999 £
Hire of plant and machinery	2,654	5,953
Depreciation - owned assets	171,247	191,940
Depreciation - assets on hire purchase contracts or finance leases	94,315	30,588
(Profit)/Loss on disposal of fixed assets	(4,357)	3
Auditors' remuneration	2,250	3,750
	<u> </u>	<u> </u>
Directors' emoluments	-	-
	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2000 £	1999 £
Bank interest	56	-
Hire purchase	32,082	28,631
	<u> </u>	<u> </u>
	32,138	28,631
	<u> </u>	<u> </u>

5. TAXATION

The tax (credit)/charge on the profit on ordinary activities for the year was as follows:

	2000 £	1999 £
UK corporation tax	5,089	68,699
Previous year adjustment	2,076	(64,060)
Group relief	-	59,377
Deferred taxation	(16,752)	(17,479)
	<u> </u>	<u> </u>
	(9,587)	46,537
	<u> </u>	<u> </u>

6. TANGIBLE FIXED ASSETS

	Totals	Buildings	Plant and machinery	Fixtures and fittings	Motor vehicles
	£	£	£	£	£
COST:					
At 1st November 1999	1,484,849	332,629	1,068,689	64,131	19,400
Additions	583,111	-	576,945	6,166	-
Disposals	(6,078)	(5,729)	-	(349)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st October 2000	2,061,882	326,900	1,645,634	69,948	19,400
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION:					
At 1st November 1999	468,620	8,172	432,675	18,081	9,692
Charge for year	265,562	6,538	237,073	17,093	4,858
Eliminated on disposals	(36)	-	-	(36)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st October 2000	734,146	14,710	669,748	35,138	14,550
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE:					
At 31st October 2000	1,327,736	312,190	975,886	34,810	4,850
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st October 1999	1,016,229	324,457	636,014	46,050	9,708
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Plastic Technology Services Limited

Notes to the Financial Statements
for the Year Ended 31st October 2000

6. TANGIBLE FIXED ASSETS - continued

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

	<u>Totals</u>	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>
	£	£	£
COST:			
At 1st November 1999	101,763	54,161	47,602
Additions	498,707	498,707	-
	<hr/>	<hr/>	<hr/>
At 31st October 2000	600,470	552,868	47,602
	<hr/>	<hr/>	<hr/>
DEPRECIATION:			
At 1st November 1999	30,588	18,688	11,900
Charge for year	94,315	82,414	11,901
	<hr/>	<hr/>	<hr/>
At 31st October 2000	124,903	101,102	23,801
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE:			
At 31st October 2000	475,567	451,766	23,801
	<hr/>	<hr/>	<hr/>
At 31st October 1999	71,175	35,473	35,702
	<hr/>	<hr/>	<hr/>

7. STOCKS

	2000 £	1999 £
Raw materials	125,517	10,931
Finished goods	12,267	25,195
Machine parts	16,601	-
	<hr/>	<hr/>
	154,385	36,126
	<hr/>	<hr/>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £	1999 £
Trade debtors	314,548	178,209
Prepayments	16,386	87,355
Loan - PTS (North West) Ltd	10,680	109,000
	<hr/>	<hr/>
	341,614	374,564
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £	1999 £
Trade creditors	385,490	215,847
Hire purchase	136,902	174,836
Other creditors	1,478	878
Loan - Currie Group Holdings	62,183	83,341
Social security & other taxes	45,531	11,628
Taxation	5,089	67,911
Accrued expenses	26,607	47,573
Deferred government grants	11,071	16,606
	<hr/>	<hr/>
	674,351	618,620
	<hr/>	<hr/>

Plastic Technology Services Limited

Notes to the Financial Statements
for the Year Ended 31st October 2000

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

	2000 £	1999 £
DGE loan (see note 11)	100,000	-
Hire purchase	136,662	10,855
	<u>236,662</u>	<u>10,855</u>

11. LOANS AND OVERDRAFTS

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

	2000 £	1999 £
Amounts falling due between one and two years:		
DGE loan	<u>10,000</u>	<u>-</u>
Amounts falling due between two and five years:		
DGE loan	<u>67,500</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments DGE loan	<u>22,500</u>	<u>-</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

	2000 £	1999 £
Deferred taxation	76,935	93,687
Bad debt	-	1,000
	<u>76,935</u>	<u>94,687</u>
	Deferred taxation	Bad debt
	£	£
Balance at 1st November 1999	93,687	1,000
Charge for year	<u>(16,752)</u>	<u>-</u>
Balance at 31st October 2000	<u>76,935</u>	<u>1,000</u>

13. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2000	1999
		£1	£	£
250,000	Ordinary		<u>250,000</u>	<u>-</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2000	1999
		£1	£	£
60,000	Ordinary		<u>60,000</u>	<u>60,000</u>

Plastic Technology Services Limited

Notes to the Financial Statements
for the Year Ended 31st October 2000

14. ULTIMATE PARENT COMPANY

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

15. RELATED PARTY DISCLOSURES

The company is related to PTS (North West) Limited by reason of common directorship and control.

During the year under review, the company made sales of £580,199 to PTS (North West) Limited and made purchases of £37,419 from them. At 31st October, 2000, Plastic Technology Services Limited owed the sum of £8,948 to PTS (North West) Limited and were owed the sum of £6,967 by them.

The company also paid a management fee of £100,000 to its parent company, Currie Group Holdings Limited during the year under review.

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000	1999
	£	£
Profit for the financial year	141,071	106,158
Net addition to shareholders' funds	141,071	106,158
Opening shareholders' funds	976,268	870,110
Closing shareholders' funds	1,117,339	976,268
Equity interests	1,117,339	976,268