

POOLE TECHNICAL PLATING SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1999

Registered Number: 1116843

CHRISTOPHER J APPLEGATE
CHARTERED ACCOUNTANTS and
REGISTERED AUDITOR

Abbotts Ann, Hampshire



POOLE TECHNICAL PLATING SERVICES LIMITED

FINANCIAL STATEMENTS

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POOLE TECHNICAL PLATING SERVICES LIMITED

DIRECTORS AND ADVISORS

Directors:

R W Scott Managing Director

Secretary:

M K Eaton

Registered Office:

32 Dawkins Road
Hamworthy
Poole
Dorset
BH15 4JW

Bankers:

Lloyds Bank plc
Beech House
28/30 Wimborne Road
Poole
Dorset
BH15 2BL

Auditors:

Christopher J Applegate
The Hawthorns
Abbotts Hill
Abbotts Ann
Hampshire
SP11 7PJ

POOLE TECHNICAL PLATING SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1999

The Director has pleasure in presenting his financial statements for the year ended 30 June 1999.

Principal Activity

The principal activity of the company is precious and base metal platers.

Business Development

The Director is pleased to report another profitable year. This has been achieved by continued investment in product methods and efficiency, along with a gradual improvement in market conditions. The Director is confident that this improvement will continue in the current financial year.

Results and Dividends

The results for the year are set out on page 4. The profit for the year of £5,334 (1998: £78,993) has been transferred to reserves. A final dividend of 28.6p (1998-76.4p) per Ordinary share was paid on 24 June 1999.

Directors and Directors' Interests

The Directors shown on page 1 have served during the year. Their interests in the Ordinary 10p shares of the company were as follows:

	<u>1999</u>	<u>1998</u>
R W Scott	<u>52,350</u>	<u>52,350</u>

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.

POOLE TECHNICAL PLATING SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 1999 (Continued)

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 the safeguarding of assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Messrs Christopher J Applegate have expressed their willingness to continue in office, and a resolution to reappoint them will be proposed at the annual general meeting.

By Order of the Board



M K Eaton

Secretary

12 January 2000

32 Dawkins Road
Hamworthy
Poole
Dorset
BH15 4JW

POOLE TECHNICAL PLATING SERVICES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 1999**

	Note	<u>1999</u> £	<u>1998</u> £
Turnover	1	1,668,548	2,003,498
Cost of Sales		<u>1,202,344</u>	<u>1,390,465</u>
Gross Profit		466,204	613,033
Administrative Expenses		<u>418,839</u>	<u>369,187</u>
Operating Profit	2	47,365	181,805
Interest Payable	5	<u>29,003</u>	<u>40,337</u>
Profit on Ordinary Activities Before Taxation		<u>18,362</u>	141,468
Taxation on Profit on Ordinary Activities	6	<u>(1,972)</u>	<u>22,475</u>
Profit on Ordinary Activities after Taxation		20,334	118,993
Dividends	7	<u>15,000</u>	<u>40,000</u>
Profit for the Financial Year Transferred to Reserves	14	<u>5,334</u>	<u>78,993</u>

Turnover is derived from continuing operations in the United Kingdom.

**Statement of Total Recognised Gains and
Losses for the year ended 30 June 1999**

	<u>1999</u>	<u>1998</u>
Retained profit for the year	5,334	78,993
Premium on purchase of 37,650 10p Ordinary Shares	-	(96,235)
	<u>5,334</u>	<u>(17,242)</u>

POOLE TECHNICAL PLATING SERVICES LIMITED

BALANCE SHEET AS AT 30 JUNE 1999

	Note	1999		1998	
		£	£	£	£
Fixed Assets					
Tangible Assets	8		758,459		795,114
Current Assets					
Stocks	9	40,310		55,900	
Debtors	10	379,111		470,662	
Cash at Bank and in Hand		<u>99,328</u>		<u>97,665</u>	
		518,749		624,227	
Creditors - Amounts falling due within one year	11	<u>635,246</u>		<u>779,945</u>	
Net Current (Liabilities)			(116,497)		(155,718)
Total Assets less Current Liabilities			641,962		639,396
Provisions for Liabilities and Charges	12		<u>64,638</u>		<u>67,406</u>
Net Assets			<u>577,324</u>		<u>571,990</u>
Capital and Reserves					
Share Capital (equity interests)	13		5,235		5,235
Profit and Loss Account	14		444,632		439,298
Revaluation Reserve	15		<u>127,457</u>		<u>127,457</u>
Shareholders' Funds	19		<u>577,324</u>		<u>571,990</u>

On behalf of the Board:



R W SCOTT

12 January 2000

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1999

1 Accounting Policies

a Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of the freehold property, and in accordance with applicable accounting standards.

b Tangible Fixed Assets

The rates of depreciation applied to tangible assets are calculated to write off their cost over their estimated useful lives. The estimated useful lives of the principal classes of tangible fixed assets are as follows:

Freehold Property	- 1% per annum on 1997 valuation, and cost of subsequent additions
Plant and Machinery	- 20% per annum on monthly written down value
Fixture and Fittings	- 25% per annum on monthly written down value
Motor Cars	- 25% per annum on annual written down value
Motor Vans	- 30% per annum on annual written down value

c Stocks

Stocks are stated at the lower of cost and net realisable value.

d Leases

Costs incurred under operating leases are charged against operating profit in the year in which they arise.

e Taxation

Taxation is based on the profits for the year. Provision is made in respect of timing differences to the extent that such future liabilities are expected to become payable in the foreseeable future.

f Turnover

Turnover represents the amount of products sold, exclusive of value added tax.

g Pensions

The pension costs charged against profits represent the amount of the contributions payable to schemes in respect of the accounting period.

POOLE TECHNICAL PLATING SERVICES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1999 (Continued)**

2	Operating Profit	<u>1999</u>	<u>1998</u>
		£	£

Operating profit is arrived at after charging:

Depreciation of tangible fixed assets	52,293	57,334
Auditors' Remuneration	4,150	4,200
Loss/(profit) on the disposal of tangible fixed assets	<u>4,346</u>	<u>2,092</u>

3 **Directors' Remuneration**

	<u>1999</u>	<u>1998</u>
	£	£

The emoluments of the director, including pension contributions, were:

<u>74,454</u>	<u>80,900</u>
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The emoluments of the Chairman, and highest paid director, excluding pension contributions were:

<u>72,250</u>	<u>78,696</u>
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POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1999 (Continued)

4 Employees

Employee costs charged against operating profit, including directors' emoluments shown in Note 3 were:

	<u>1999</u> £	<u>1998</u> £
Wages and salaries	645,130	670,035
Social security costs	60,239	60,925
Pension costs	<u>5,429</u>	<u>8,058</u>
	<u>710,798</u>	<u>739,018</u>

The average number of employees including directors during the year, was:

	<u>1999</u> Number	<u>1998</u> Number
Production	34	37
Sales and distribution	1	1
Administration	<u>3</u>	<u>3</u>
	<u>38</u>	<u>41</u>

5 Interest Payable

	<u>1999</u> £	<u>1998</u> £
On short term borrowings	<u>29,003</u>	<u>40,337</u>

6 Taxation

	<u>1999</u> £	<u>1998</u> £
Corporation tax at 21% (1998-21%)	796	29,681
Deferred taxation at 21% (1998-21%)	<u>(2,768)</u>	<u>(7,206)</u>
	<u>(1,972)</u>	<u>22,475</u>

7 Dividends

	<u>1999</u> £	<u>1998</u> £
Ordinary Shares		
Interim dividend of £Nil per share, (1998 - £0.38p per share)	-	20,000
Final dividend of £0.29 per share, paid 24 June 1999 (1998 £0.38 per share).	<u>15,000</u>	<u>20,000</u>
	<u>15,000</u>	<u>40,000</u>

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1999 (Continued)

8 Tangible Fixed Assets

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost or valuation					
At 1 July 1998	665,622	862,081	58,955	48,522	1,635,180
Additions	-	19,027	5,803	-	24,830
Disposals	-	-	-	48,522	48,522
At 30 June 1999	<u>665,622</u>	<u>881,108</u>	<u>64,758</u>	-	<u>1,611,488</u>
Depreciation					
At 1 July 1998	84,426	676,225	41,568	37,847	840,066
Charge for the year	9,402	36,543	4,865	1,483	52,293
Disposals	-	-	-	39,330	39,330
At 30 June 1999	<u>93,828</u>	<u>712,768</u>	<u>46,433</u>	-	<u>853,029</u>
Net Book Values					
At 30 June 1999	<u>571,794</u>	<u>168,340</u>	<u>18,325</u>	-	<u>758,459</u>
At 30 June 1998	<u>581,196</u>	<u>185,856</u>	<u>17,387</u>	<u>10,675</u>	<u>795,114</u>

The freehold property is included at its open market valuation by Primmer Olds, Chartered Surveyors, in November 1997. The comparable amounts for the freehold property, if stated under historical cost rules, would be:

	<u>1999</u> £	<u>1998</u> £
Cost	500,301	500,301
Depreciation	(80,019)	(75,773)
Net Book Value	<u>420,282</u>	<u>424,528</u>

POOLE TECHNICAL PLATING SERVICES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1999 (Continued)**

9	Stock	<u>1999</u> £	<u>1998</u> £
	Raw materials and consumables	<u>40,310</u>	<u>55,900</u>
10	Debtors	<u>1999</u> £	<u>1998</u> £
	Trade debtors	351,069	445,649
	Other debtors	1,219	-
	Prepayments and accrued income	<u>26,823</u>	<u>25,013</u>
		<u>379,111</u>	<u>470,662</u>
11	Creditors - amounts falling due within one year	<u>1999</u> £	<u>1998</u> £
	Bank loan	-	25,000
	Bank overdraft	380,926	404,317
	Trade creditors	148,520	172,383
	Corporation tax	3,069	24,681
	Directors' loan account	12,832	19,434
	Other taxes and social security costs	52,507	72,450
	Accruals and deferred income	<u>37,392</u>	<u>61,680</u>
		<u>635,246</u>	<u>779,945</u>

The bank overdraft and loan are secured by an unlimited debenture over the company's assets, containing a legal charge over the freehold land and buildings at 31 Dawkins Road, Hamworthy, Poole.

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1999 (Continued)

12 Provision for Liabilities and Charges		<u>1999</u>	<u>1998</u>
		£	£
Deferred tax provisions:	<u>Rate used</u>		
Potential gain on revalued property	21%	24,564	27,024
Accelerated capital allowances	21%	<u>40,074</u>	<u>40,382</u>
		<u>64,638</u>	<u>67,406</u>
Movement on deferred tax:			
			£
At 1 July 1998			67,406
Transfer to profit and loss account			<u>(2,768)</u>
At 30 June 1999			<u>64,638</u>
13 Share Capital		<u>1999</u>	<u>1998</u>
		£	£
Authorised:			
100,000 Ordinary shares of 10p each		<u>10,000</u>	<u>10,000</u>
Issued fully paid			
Ordinary shares of 10p each		<u>5,235</u>	<u>5,235</u>
14 Profit and Loss Account			£
At 1 July 1998			439,298
Retained profit for the year			<u>5,334</u>
At 30 June 1999			<u>444,632</u>

POOLE TECHNICAL PLATING SERVICES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1999 (Continued)

15 Revaluation Reserve

£

At 1 July 1998 and 30 June 1999

127,457

The revaluation reserve represents the surplus on revaluation of freehold property.

16 Capital Commitments

The company had no commitments for capital expenditure at 30 June 1999 and 30 June 1998.

17 Contingent Liabilities

The company had no contingent liabilities at 30 June 1999 and 30 June 1998.

18 Cashflow Statements

The company has taken advantage of the exemption provided for small companies under FRS1, and has not provided a cashflow statement.

19 Movement on Shareholders Funds

	<u>1999</u>	<u>1998</u>
	£	£
Opening shareholders funds	571,990	592,997
Profit for the financial year	20,334	118,993
Dividends paid	(15,000)	(40,000)
Premium on purchase of own shares	-	(96,235)
Purchase of own shares	-	(3,765)
Closing shareholders funds	<u>577,324</u>	<u>571,990</u>

20 Company Status

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.



AUDITORS' REPORT TO THE MEMBERS OF POOLE TECHNICAL PLATING SERVICES LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on pages 2 and 3 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 judgments 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 30 June 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Christopher J Applegate

12 January 2000

**Chartered Accountants and Registered Auditor
Abbots Ann, Hampshire**

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