

Revised

PROFILE DEFLASHING COMPOUNDS LIMITED

FINANCIAL STATEMENTS

30TH SEPTEMBER 1994

Registered number: 2852231

MITCHELL CHARLESWORTH

CHARTERED ACCOUNTANTS

Liverpool



PROFILE DEFLASHING COMPOUNDS LIMITED

FINANCIAL STATEMENTS

for the period ended 30th September 1994

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes	7

## PROFILE DEFLASHING COMPOUNDS LIMITED

## COMPANY INFORMATION

30th September 1994

Incorporated in England on 10th September 1993

NUMBER	2852231
DIRECTOR	T. Loyden
SECRETARY	Mrs A. Loyden
REGISTERED OFFICE	Unit 5 Barrowmore Industrial Estate Barrowmore, Great Barrow Chester CH3 7JA
BANKERS	National Westminster Bank plc 23 Sankey Street Warrington WA1 1XH
AUDITORS	Mitchell Charlesworth Chartered Accountants Chavasse Court 24 Lord Street Liverpool L2 1TA

## PROFILE DEFLASHING COMPOUNDS LIMITED

## DIRECTORS' REPORT

30th September 1994

The directors present their report and the audited financial statements for the period ended 30th September 1994.

**Incorporation**

The company was incorporated on 10th September 1993 and commenced trading on the same date.

**Principal activity**

The principal activity of the company is the manufacture of polymer based shot blast compounds.

**Business review**

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £13,933.

**Profit, dividends and appropriations**

The results for the period are shown in the profit and loss account on page 5.

The directors do not propose payment of an ordinary dividend, the profit for the period is to be transferred to reserves.

**Fixed assets**

Changes in fixed assets during the year are set out in note 7 to the accounts.

**Share capital**

On 29th July 1994, 98 ordinary shares of £1 each were allotted, called up and fully paid, increasing the issued share capital to £100.

**Directors**

The directors of the company during the period and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	30th September 1994 Ordinary shares
T. Loyden	100

Mr. T. Loyden, Mr. S. Crimes and Mrs. A. Loyden were appointed directors on 30th September 1993.

Mrs. A. Loyden resigned as a director on 31st March 1994, and Mr. S. Crimes resigned as a director on 29th July 1994.

Mrs. A. Loyden had an interest in 1 ordinary share of £1 during her period as a director.

## PROFILE DEFLASHING COMPOUNDS LIMITED

DIRECTORS' REPORT  
(continued)

30th September 1994

## Auditors

Mitchell Charlesworth have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board

*A. Loyden*Mrs A. Loyden  
Secretary

Unit 5 Barrowmore Industrial Estate  
Barrowmore, Great Barrow  
Chester  
CH3 7JA

*3rd July 1995*

## PROFILE DEFLASHING COMPOUNDS LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

# Mitchell Charlesworth

Chartered Accountants

Chavasse Court · 24 Lord Street · Liverpool L2 1TA

## Auditors' report to the members of Profile Deflashing Compounds Limited

We have audited the financial statements on pages 5 to 11 which have been prepared under the accounting policies set out on page 7.

### Respective responsibilities of directors and auditors

As described on page 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 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 error or other irregularity. 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 30th September 1994 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Mitchell Charlesworth  
Registered Auditor

3rd July 1995

## PROFILE DEFLASHING COMPOUNDS LIMITED

## PROFIT AND LOSS ACCOUNT

for the period ended 30th September 1994

	Note	1994 £
Turnover	2	181,843
Cost of sales		(76,336)
Gross profit		<u>105,507</u>
Net operating expenses		
Distribution costs		(16,294)
Administrative expenses		(68,244)
Operating profit	3	<u>20,969</u>
Interest payable	5	(2,436)
Profit on ordinary activities before taxation		<u>18,533</u>
Taxation	6	(4,700)
Profit on ordinary activities after taxation		<u><u>13,833</u></u>

The company's activities commenced at the start of the above financial period.

There are no recognised gains and losses in 1994 other than the profit for the period.



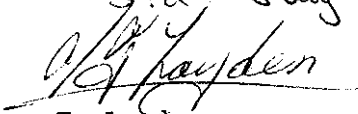
## PROFILE DEFLASHING COMPOUNDS LIMITED

## BALANCE SHEET

at 30th September 1994

	Note	1994 £	£
Fixed assets			
Tangible assets	7		30,235
Current assets			
Stocks	8	15,348	
Debtors	9	37,568	
		<u>52,916</u>	
Creditors: amounts falling due within one year	10	(68,718)	
Net current liabilities			<u>(15,802)</u>
Total assets less current liabilities			14,433
Provision for liabilities and charges	11		(500)
			<u>13,933</u>
Capital and reserves			
Called up share capital	12		100
Profit and loss account			<u>13,833</u>
Total shareholders' funds	13		<u>13,933</u>

The financial statements on pages 5 to 11 were approved by the board of directors on 3rd July 1995.

  
T. Loyden  
Director

## PROFILE DEFLASHING COMPOUNDS LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th September 1994

## 1 Accounting policies

## Basis of accounting

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

## Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	20% per annum
Motor vehicles	25% per annum
Fixtures and fittings	15% per annum

## Stocks

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

## Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

## 2 Analysis of results

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

The analysis of turnover by geographical area is as follows:

	£
United Kingdom	170,603
Other E.E.C. countries	11,240
	<u>181,843</u>

## 3 Operating profit

	1994 £
Operating profit is stated after crediting	
Profit on sale of assets	6,500
and after charging	<u></u>
Auditors' remuneration	1,000
Loss on sale of assets	1,000
Depreciation	8,401
Operating lease rentals:	
Land and buildings	4,839
	<u></u>

NOTES ON FINANCIAL STATEMENTS

30th September 1994

4 Directors and employees

	1994
	£
Staff costs including directors' emoluments	
Wages and salaries	47,675
Social security costs	4,234
	<u>51,909</u>
	Number
Average number employed including executive directors	
Production	2
Administration	2
	<u>4</u>
Directors	£
Directors' emoluments	18,054
Benefits-in-kind	1,823
	<u>19,877</u>

5 Interest payable

	1994
	£
Bank interest	2,436

6 Taxation

	1994
	£
Corporation tax on profit on ordinary activities at 25%	4,200
Deferred taxation	500
	<u>4,700</u>

## PROFILE DEFLASHING COMPOUNDS LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th September 1994

## 7 Tangible fixed assets

	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Total £
Cost or valuation				
Additions	9,000	36,170	3,166	48,336
Disposals	(1,500)	(8,200)	-	(9,700)
	<u>7,500</u>	<u>27,970</u>	<u>3,166</u>	<u>38,636</u>
30th September 1994				
Depreciation				
Charge for period	(1,983)	(5,916)	(502)	(8,401)
	<u>1,983</u>	<u>5,916</u>	<u>502</u>	<u>8,401</u>
30th September 1994				
Net book amount				
30th September 1994	<u>5,517</u>	<u>22,054</u>	<u>2,664</u>	<u>30,235</u>

## 8 Stocks

	1994 £
Raw materials	5,666
Finished goods	9,682
	<u>15,348</u>

## 9 Debtors

	1994 £
Amounts falling due within one year	
Trade debtors	36,459
Other debtors	1,109
	<u>37,568</u>

## PROFILE DEFLASHING COMPOUNDS LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th September 1994

## 10 Creditors: amounts falling due within one year

	1994 £
Bank overdraft	18,519
Trade creditors	16,451
Corporation tax	4,200
Other taxation and social security	13,646
Accruals and deferred income	15,902
	<u>68,718</u>

The bank holds as security for the overdraft a fixed and floating charge over the assets of the company.

## 11 Provision for liabilities and charges

	1994 Potential liability £	1994 Provision made £
Corporation tax deferred by:		
Accelerated capital allowances	<u>500</u>	<u>500</u>

The potential liability and provision are based on a corporation tax rate of 25%.

## 12 Called up share capital

	1994 Number of shares	1994 £
Authorised		
Equity shares		
Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>
Allotted called up and fully paid		
Equity shares		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

On 29th July 1994, 98 ordinary shares of £1 each were allotted, called up and fully paid at par, increasing the issued share capital to £100. This was to increase the capital base of the company.

## PROFILE DEFLASHING COMPOUNDS LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th September 1994

## 13 Reconciliation of movements in shareholders' funds

	1994 £
Profit for the financial period	13,833
New share capital subscribed	100
Net addition to shareholders' funds	13,933
Opening shareholders' funds	-
Closing shareholders' funds	13,933

## 14 Capital commitments

	1994 £
Authorised by the Board but not contracted for	Nil
Contracted for but not provided in the accounts	Nil

## 15 Leasing commitments

At 30th September 1994 the company had commitments under non-cancellable operating leases which are set out below.

	1994 Land & Buildings £
Expiring	
Within one year	5,820
Within two to five years	8,451
	14,271