

1588087

TECHNICAL RUBBER PRODUCTS LIMITED

ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER, 2002



R.J. FRANCIS & CO.,
Chartered Accountants and
Registered Auditors,
Franklin House,
Commercial Road,
Hereford.

TECHNICAL RUBBER PRODUCTS LIMITED

Company No. 01588087 Registered England and Wales

YEAR ENDED 31ST DECEMBER, 2002

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TECHNICAL RUBBER PRODUCTS LIMITED

Director: P.J. Children

Registered Office: 24 Tarsmill Court,
Rotherwas,
HEREFORD
HR2 6JZ

Secretary: R.J. Francis

Report of the Directors

The Director submits his report with the Accounts of the Company for the year ended 31st December, 2002.

1. Principal Activity

The principal activity of the Company in the year under review was that of the production and sale of rubber mouldings.

2. Results and Dividend

The trading results for the year are set out on in the Profit and Loss Account on page 5.

3. Review of the Development of the Business

The Director is satisfied with the trading result for the year.

4. Future Development

The Director is optimistic about the future development of the business.

5. Director

The present Director is listed at the head of this report. His beneficial interests in the Company's issued ordinary share capital was:

	<u>31st December, 2002</u>	<u>1st January, 2002</u>
P.J. Children	3250	3250

6. Fixed Assets

The movement in fixed assets during the year is set out in note 2 to the Accounts.

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TECHNICAL RUBBER PRODUCTS LIMITED

Report of the Directors (contd..)

7. Auditors

The Auditors, Bonelle & Co., will be proposed for reappointment in accordance with Section 385 of the Companies Act, 1985.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act relating to medium sized companies.

Signed:

P.J. Children

Director

Approved by the board on.....*30th October 03.*

TECHNICAL RUBBER PRODUCTS LIMITED

DIRECTORS' RESPONSIBILITIES AND REPORT OF THE AUDITORS

Statement of directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on a going concern basis unless it is inappropriate to assume 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 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' Report to the Shareholders of Technical Rubber Products Limited

We have examined the abbreviated accounts set out on pages 5 to 13 together with the full statutory accounts of the company for the year ended 31st December, 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts 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 accounts, 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 full statutory accounts.

TECHNICAL RUBBER PRODUCTS LIMITED

DIRECTORS' RESPONSIBILITIES AND REPORT OF THE AUDITORS (cont'd)

Opinion

In our opinion the company is entitled to deliver abbreviated accounts in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 13 are properly prepared in accordance with that provision.

Bonelle and Co.

BONELLE & CO.

Chartered Accountants and Registered Auditors

1 Wyeclyffe Terrace,
Bath Street,
Hereford
HR1 2HG

29 October 2003

TECHNICAL RUBBER PRODUCTS LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED**
31ST DECEMBER, 2002

	<i>Notes</i>	<u>2002</u>	<u>2001</u>
		£	£
<u>Turnover</u>		6348672	7973716
Increase/(Decrease) in Stock and Work-in-Progress	3	38597	93832
		<hr/>	<hr/>
		6387269	8067548
 <u>Less:</u>			
Raw Materials		2034210	2529023
Other External Charges		1159457	1484925
Wages and Salaries		2942239	3671684
Pension Costs		82801	88340
Depreciation		223981	227105
		<hr/>	<hr/>
		6442688	8001077
		<hr/>	<hr/>
<u>Operating (Loss)/Profit</u>	8	(55419)	66471
<u>Taxation</u>	9	1676	6968
		<hr/>	<hr/>
<u>Retained (Loss)/Profit</u>			
<u>Transferred to Reserves</u>	7	(57095)	59503
 Dividend Paid		-	100000
		<hr/>	<hr/>
		(57095)	(40497)
		<hr/>	<hr/>

TECHNICAL RUBBER PRODUCTS LIMITED

BALANCE SHEET AS AT 31ST DECEMBER, 2002

	<i>Notes</i>	<u>2002</u>	<u>2001</u>
		£	£
<u>Fixed Assets</u>			
Tangible Assets	2	1169673	1359734
<u>Current Assets</u>			
Stock and Work-in-Progress	3	1124268	1085671
Debtors	4	2004794	1923081
Cash		6866	299547
		<hr/>	<hr/>
		3135928	3308299
<u>Creditors:</u> Amounts falling due within one year	5a	1944251	2240562
		<hr/>	<hr/>
		1191677	1067737
		<hr/>	<hr/>
		2361350	2427471
<u>Creditors:</u> Amounts falling due after more than one year	5b	-	9026
		<hr/>	<hr/>
		£2361350	£2418445
		<hr/>	<hr/>
<u>Capital and Reserves</u>			
Called-up Share Capital	6	10000	10000
Reserves	7	2351350	2408445
		<hr/>	<hr/>
		£2361350	£2418445
		<hr/>	<hr/>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Signed on behalf
of the board of directors



P.J. Children
Director

Approved by the board on

30th October 03

TECHNICAL RUBBER PRODUCTS LIMITED**CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2002**

	<u>2002</u>	<u>2001</u>
	£	£
<u>Net Cash Flow from Operating Activities</u> (Note 1)	344450	323715
<u>Returns on Investment and Servicing of Finance</u>		
Dividend Paid	-	100000
<u>Net Cash Outflow from Returns on</u> <u>Investments and Servicing of Finance</u>		(100000)
<u>Taxation</u>		
Corporation Tax paid (including advance Corporation Tax)	(8376)	(53214)
<u>Capital Expenditure and Financial Investment</u>		
Purchase of tangible fixed assets	(40920)	(279981)
Sale of tangible fixed assets	7000	
<u>Net Cash Outflow for Capital Expenditure</u> <u>and Financial Investment</u>	(33920)	(279981)
	302154	(109480)
<u>Equity Dividends Paid</u>	-	-
<u>Management of Liquid Resources</u>	-	-
<u>Financing</u>		
Issue of Ordinary Share Capital	-	-
Loan Repayments	-	-
<u>(Decrease)/Increase in Cash</u> Note 2	302154	(109480)

TECHNICAL RUBBER PRODUCTS LIMITED

NOTES TO THE CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2002

	<u>2002</u> £	<u>2001</u> £	
<u>1. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities</u>			
Operating Profit	(55419)	66471	
Depreciation	223981	227105	
Decrease/(Increase) in Debtors	(79513)	707308	
(Decrease)/Increase in Creditors	293998	(583337)	
(Increase)/Decrease in Stock	(38597)	(93832)	
	<hr/>	<hr/>	
<u>Net Cash Inflow from Continuing Operating Activities</u>	<u>344450</u>	<u>323715</u>	
<u>2. Reconciliation of Net Cash Flow to Movement in Net Cash</u>			
Balance as at 1st January, 2002	(1279424)	(1169944)	
Net Cash (Outflow)/Inflow	302154	(109480)	
	<hr/>	<hr/>	
Balance as at 31st December, 2002	<u>(977270)</u>	<u>(1279424)</u>	
<u>3. Analysis of Changes in Net Cash</u>			
			<u>Change in Year</u>
Cash at bank and in hand	6866	299547	(292681)
Short term investments		-	
Loan and Bank Overdrafts	(984136)	(1578971)	594835
	<hr/>	<hr/>	<hr/>
	<u>(977270)</u>	<u>(1279424)</u>	<u>302154</u>

TECHNICAL RUBBER PRODUCTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED **31ST DECEMBER, 2002**

1. Accounting Policies

Basis of Accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for smaller entities.

Turnover

Turnover represents net invoiced sales for the year.

Depreciation

Depreciation is provided on the cost of assets at the following annual rates:

Property Improvements	10% on cost
Plant and Machinery	15% on cost
Motor Vehicles	15% on cost
Equipment and Office Furniture	15% on cost

Deferred Taxation

No provision has been made for the relief obtained either for excess of net book value of assets subject to capital allowances over their net written down value for tax purposes, or for the relief obtained for increases in value of trading stock since in the opinion of the Directors, no liability is likely to arise in the foreseeable future.

Stock and Work-in-progress

Stock and work-in-progress are included by the Directors at the lower of cost and net realisable value.

TECHNICAL RUBBER PRODUCTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

31ST DECEMBER, 2002 (Contd..)

2. Tangible Fixed Assets

	Property Improvements	Plant and Machinery	Motor Vehicles	Equipment and Office Furniture	Total
	£	£	£	£	£
Cost					
As at 1st January, 2002	113067	3030611	175272	236489	3555439
Additions	496	37470	-	2954	40920
Disposals	-	-	(26000)	-	(26000)
As at 31st December, 2002	113563	3068081	149272	239443	3570359
Depreciation					
As at 1st January, 2002	49191	1815537	114759	216218	2195705
Charge for the Year	11356	163609	22391	23225	220581
Disposals	-	-	(15600)	-	(15600)
As at 31st December, 2002	60547	1979146	121550	239443	2400686
Net Book Value					
As at 31st December, 2002	53016	1088935	27722	-	1169673
As at 31st December, 2001	63876	1215074	60513	20271	1359734

3. Stock and Work-in-Progress

	2002	2001
	£	£
Raw Materials	152574	141685
Work-in-Progress	971694	943986
	1124268	1085671

4. Debtors

Trade Debtors	1090168	1042828
Technical Rubber Products Incorporated	813549	780097
Prepayments	36270	53095
Other Taxes	62607	47061
Corporation Tax	2200	-
	2004794	1923081

TECHNICAL RUBBER PRODUCTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED **31ST DECEMBER, 2002 (Contd..)**

	<u>2002</u>	<u>2001</u>
<u>5a. Creditors</u> Amounts falling due within one year	£	£
Bank Loan and Overdrafts	984136	1578971
Trade Creditors	543586	421893
Corporation Tax	-	4500
Other Taxes	61217	54534
Reprotech (UK) Ltd	9689	9865
Directors' Loan Accounts	223	223
Hire Purchase	9027	8332
Accruals	336373	162244
	<hr/>	<hr/>
	1944251	2240562
	<hr/>	<hr/>
<u>5b. Creditors</u> Amounts falling due after more than one year		
Hire Purchase	-	9026
	<hr/>	<hr/>
<u>6. Share Capital</u>		
Authorised 10,000 Ordinary Shares of £1 each	10000	10000
	<hr/>	<hr/>
Allotted, Called Up and Fully Paid 10,000 Ordinary shares of £1 each	10000	10000
	<hr/>	<hr/>
<u>7. Reserves</u> - Profit and Loss Account		
Balance as at 1st January, 2002	2408445	2448942
Retained (Loss) for the Year	(57095)	(40497)
	<hr/>	<hr/>
	2351350	2408445
	<hr/>	<hr/>

TECHNICAL RUBBER PRODUCTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED **31ST DECEMBER, 2002 (Contd..)**

	<u>2002</u> £	<u>2001</u> £
8. <u>Operating Profit</u> is stated after charging		
Depreciation - owned assets	216778	222507
- held under hire purchase	3803	3803
Auditor's Remuneration	4000	4000
Bank Interest	66971	88969
Directors Remuneration	72241	143824
	<hr/>	<hr/>

The average number of employees:

Aggregate costs in respect of wages and salaries were made up as follows:

	£	£
Wages	2554298	3272446
Social Security	315700	399238
Pension Costs	82801	88340

In respect of the highest paid director the aggregate emoluments were:

72241	143824
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The aggregate pension contributions made by the company to a money purchase scheme for that director were:

5506	9507
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The taxation liability is based on the profit for the year and is made up as follows:

Corporation Tax	(2200)	4500
Under provision	3876	2468
	<hr/>	<hr/>
	1676	6968
	<hr/>	<hr/>

9. Future Capital Expenditure

Contracted, but not provided for	Nil	Nil
	<hr/>	<hr/>
Authorised, but not contracted for	Nil	Nil
	<hr/>	<hr/>

TECHNICAL RUBBER PRODUCTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2002 (Contd..)

10. Bank Security

The bank borrowings are secured by a Floating Charge on the assets of the Company including the book debts. There is also a cross guarantee from this Company on the overdraft of Reprotect (UK) Limited which at 31st December, 2002 was £Nil (2001 £Nil).

11. Pensions

The Company contributed to a defined benefit scheme for certain employees, which was closed in 1997. There is a potential deficit in this Fund but the amount cannot be quantified at this time due to uncertainties concerning both the option available to the Trustees and the amount involved.

The Directors are members of a defined contribution scheme. The pension cost charge for the year is £5506 and there are no outstanding contributions as at the Balance Sheet date.

The Company contributes to a defined contribution scheme for the employees. The pension cost charge for the year is £82,801.

TECHNICAL RUBBER PRODUCTS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED **31ST DECEMBER, 2002**

<u>31.12.01</u>			<u>31.12.02</u>	
7437878	<u>Manufactured Goods</u>			6246109
	2092877 Less: Material Cost		1831857	
<u>4853295</u>	<u>2760418</u> Production Wages		<u>2176617</u>	<u>4008474</u>
2584583				2237635
	438315 <u>Trading and Tooling Sales</u>		224447	
2169	436146 Less: Purchases		<u>202353</u>	22094
	<u>Other Income:</u>			
	3736 Sundry Income		-	
	82166 Management charge		70705	
<u>97523</u>	<u>11621</u> Surplus on Exchange		<u>16095</u>	<u>86800</u>
2684275	<u>Deduct: Costs</u>			2346529
	9507 Directors' Pension		5506	
	143824 Directors' Remuneration		72241	
	767442 Sub-contractors and Wages		693381	
	208881 Power and Fuel		145744	
1336028	<u>206374</u> Carriage and Packaging		<u>187770</u>	1104642
	<u>Plant and Expenses</u>			
	234769 Maintenance		241454	
	- Hire		9790	
424478	<u>189709</u> Depreciation		<u>189400</u>	440644
	<u>Property Costs</u>			
	133910 Rent		135981	
	51880 Rates		50934	
	3308 Maintenance		309	
200404	<u>11306</u> Depreciation		<u>11356</u>	198580
	<u>Selling and Administration</u>			
	97568 Motor, Travel and Entertaining		77338	
	91478 Insurances		120640	
	24321 Telephone		19281	
	32302 Postage and Stationery		18551	
271759	<u>26090</u> Depreciation		<u>23225</u>	259035
	<u>Finance Charges</u>			
	61331 Sales Discount		75614	
	1145 Hire Purchase Interest		1726	
	42701 Leasing		54902	
194146	<u>88969</u> Bank Charges and Interest		<u>66971</u>	199213
	<u>Miscellaneous Expenses</u>			
	27509 Professional Fees		48967	
	Employees Pension Contributions,			
	78833 Life Assurance and BUPA		77295	
	40143 Sundries		44342	
	25795 Health and Safety		14171	
	11183 Canteen and Cleaning		8531	
<u>190989</u>	<u>7526</u> Training		<u>6528</u>	<u>199834</u>
<u>2617804</u>				<u>2401948</u>
<u>£66471</u>	<u>NET (LOSS)/PROFIT FOR THE YEAR</u>			<u>£(55419)</u>