

Company Registration No. 4655823 (England and Wales)

**MID ESSEX PREPACKED LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2005**



# MID ESSEX PREPACKED LIMITED

## COMPANY INFORMATION

---

Directors	C A P Stubbings R J C Stubbings J Livens J Wasmuth
Secretary	J Wasmuth
Company number	4655823
Registered office	Essex Regiment Way Broomfield Chelmsford Essex CM3 3PZ
Auditors	Bird Luckin Aquila House Waterloo Lane Chelmsford Essex CM1 1BN
Business address	Bulls Lodge Quarry Boreham Chelmsford Essex CM3 3HR
Bankers	Barclays Bank Plc High Street Chelmsford Essex CM1 1EQ
Solicitors	Hills & Abbott Threadneedle House 9-10 Market Road Chelmsford Essex CM1 1XH

---

# MID ESSEX PREPACKED LIMITED

## CONTENTS

---

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 16

---

# MID ESSEX PREPACKED LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

---

The directors present their report and financial statements for the year ended 31 March 2005.

### Principal activities and review of the business

The principal activity of the company was that of the sale of bagged sand and aggregates.

### Results and dividends

The results for the year are set out on page 5.

### Post balance sheet events

In September 2005, having sold its trade and all of its assets to an un-connected third party, the company ceased to trade.

### Directors

The following directors have held office since 1 April 2004:

C A P Stubbings  
R J C Stubbings  
J Livens  
J Wasmuth

### Directors' interests

There are no directors' interests requiring disclosure under the Companies Act 1985.

The company is a wholly owned subsidiary of Cliffords Limited. The directors' interests in the parent company are shown in the financial statements of that company.

	Ordinary of £ 1 each	
	31 March 2005	1 April 2004
C A P Stubbings	-	-
R J C Stubbings	-	-
J Livens	-	-
J Wasmuth	-	-

One of the three trustees of a family trust which holds 21% (2004: 21%) of the issued share capital of Cliffords Limited is a partner with Bird Luckin, the group's auditors.

### Auditors

Bird Luckin were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

# MID ESSEX PREPACKED LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

---

### 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;
- 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.

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.

On behalf of the board



R J C Stubbings

Director

8 September 2005

# **MID ESSEX PREPACKED LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MID ESSEX PREPACKED LIMITED**

---

We have audited the financial statements of Mid Essex Prepacked Limited on pages 5 to 16 for the year ended 31 March 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the directors and auditors**

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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.

# MID ESSEX PREPACKED LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF MID ESSEX PREPACKED LIMITED

---

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Bird Luckin*

Bird Luckin

Chartered Accountants  
Registered Auditor

*8 September 2005*

Aquila House  
Chelmsford  
Essex  
CM1 1BN

# MID ESSEX PREPACKED LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Turnover	2	6,709,888	6,538,802
Cost of sales		(5,883,855)	(5,990,572)
<b>Gross profit</b>		826,033	548,230
Administrative expenses		(580,269)	(366,585)
<b>Operating profit</b>	3	245,764	181,645
Interest payable and similar charges	4	(34,736)	(45,513)
<b>Profit on ordinary activities before taxation</b>		211,028	136,132
Tax on profit on ordinary activities	5	18,000	(55,000)
<b>Profit on ordinary activities after taxation</b>		229,028	81,132
Dividends	6	-	(50,000)
<b>Retained profit for the year</b>	15	229,028	31,132

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.




# MID ESSEX PREPACKED LIMITED

## BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £	£	2004 £	£
<b>Fixed assets</b>					
Tangible assets	7		1,085,103		1,224,496
<b>Current assets</b>					
Stocks	8	241,685		255,921	
Debtors	9	1,293,545		1,683,683	
Cash at bank and in hand		31,332		548	
		<u>1,566,562</u>		<u>1,940,152</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(2,038,266)</u>		<u>(2,679,665)</u>	
<b>Net current liabilities</b>			<u>(471,704)</u>		<u>(739,513)</u>
<b>Total assets less current liabilities</b>			613,399		484,983
<b>Creditors: amounts falling due after more than one year</b>	11		(316,238)		(398,850)
<b>Provisions for liabilities and charges</b>	12		<u>(37,000)</u>		<u>(55,000)</u>
			<u>260,161</u>		<u>31,133</u>
<b>Capital and reserves</b>					
Called up share capital	14		1		1
Profit and loss account	15		260,160		31,132
<b>Shareholders' funds - equity interests</b>	16		<u>260,161</u>		<u>31,133</u>

The financial statements were approved by the Board on .....

8 September 2005

  
R J C Stubbings  
Director

  
J Livens  
Director

# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Improvements to leasehold properties	Over the term of the lease
Plant and machinery	10% - 33% on cost
Fixtures, fittings & equipment	10% - 33% on cost
Motor vehicles	10% - 33% on cost

#### 1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value.

Cost represents the expenditure incurred in bringing each product to its present location and condition as follows:

Raw materials and consumables - purchase cost

#### 1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

#### 1.8 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

### 2 Turnover

The total turnover of the company for this and the preceeding year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2005 £	2004 £
Operating profit is stated after charging:		
Depreciation of tangible assets	121,965	59,837
Operating lease rentals		
- Plant and machinery	70,221	102,938
- Other assets	79,000	20,303
Auditors' remuneration	10,800	12,040
and after crediting:		
Profit on disposal of tangible assets	(499)	-

4 Interest payable	2005 £	2004 £
On amounts payable to group companies	-	7,782
On bank loans and overdrafts	843	4,461
Hire purchase interest	22,996	22,788
Factor interest	10,897	10,482
	<u>34,736</u>	<u>45,513</u>

# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

5	Taxation	2005	2004
	Current tax charge	-	-
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	(18,000)	55,000
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	211,028	136,132
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2004: 30.00%)	63,308	40,840
	Effects of:		
	Non deductible expenses	2,562	5,059
	Depreciation add back	36,440	17,950
	Capital allowances	(6,920)	(81,790)
	Tax losses	(19,280)	17,941
	Other tax adjustments	(76,110)	-
		(63,308)	(40,840)
	<b>Current tax charge</b>	-	-

The company has estimated losses of £ nil (2004: £ 60,000) available for carry forward against future trading profits.

6	Dividends	2005 £	2004 £
	Ordinary interim paid	-	50,000

# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

### 7 Tangible fixed assets

	Improvements to leasehold properties £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2004	550,278	711,398	22,656	1	1,284,333
Additions	(73,629)	48,954	-	14,200	(10,475)
Disposals	(6,954)	-	-	(1)	(6,955)
At 31 March 2005	469,695	760,352	22,656	14,200	1,266,903
<b>Depreciation</b>					
At 1 April 2004	2,500	53,100	4,237	-	59,837
On disposals	(695)	-	-	-	(695)
Charge for the year	17,991	98,904	4,875	888	122,658
At 31 March 2005	19,796	152,004	9,112	888	181,800
<b>Net book value</b>					
At 31 March 2005	449,899	608,348	13,544	13,312	1,085,103
At 31 March 2004	547,778	658,298	18,419	1	1,224,496

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
<b>Net book values</b>	
At 31 March 2005	561,183
At 31 March 2004	590,083
<b>Depreciation charge for the year</b>	
31 March 2005	70,900
31 March 2004	19,417

### 8 Stocks

	2005 £	2004 £
Raw materials and consumables	241,685	255,921

# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

9 Debtors	2005 £	2004 £
Trade debtors	882,878	1,150,546
Amounts owed by parent and fellow subsidiary undertakings	388,395	508,363
Other debtors	22,272	24,774
	<u>1,293,545</u>	<u>1,683,683</u>
10 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	-	91,733
Net obligations under hire purchase contracts	129,750	112,500
Trade creditors	795,803	1,001,332
Amounts owed to parent and fellow subsidiary undertakings	326,330	667,319
Taxes and social security costs	64,156	20,041
Other creditors	722,227	786,740
	<u>2,038,266</u>	<u>2,679,665</u>
Debt due in one year or less	<u>507,098</u>	<u>576,825</u>

The bank loans and overdraft are secured by a cross guarantee between Mid Essex Prepacked Limited and each of the other companies within the group.

Included within other creditors are other loans of £507,098 (2004 £576,825) which are secured by a group cross guarantee and debenture.

There is also a commitment of £423,000 in respect of a mortgage over certain fixed assets. These assets, with a net book value of £419,083 (2004 £466,083), are secured by this mortgage.

# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

11 Creditors: amounts falling due after more than one year	2005 £	2004 £
Net obligations under hire purchase contracts	316,238	398,850
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	129,750	112,500
Repayable between one and five years	316,238	398,850
	445,988	511,350
Included in liabilities falling due within one year	(129,750)	(112,500)
	316,238	398,850

### 12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 April 2004	55,000
Profit and loss account	(18,000)
Balance at 31 March 2005	37,000

The deferred tax liability is made up as follows:

	2005 £	2004 £
Accelerated capital allowances	37,000	55,000

### 13 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

#### Defined contribution

	2005 £	2004 £
Contributions payable by the company for the year	17,470	24,057

# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

<b>14</b>	<b>Share capital</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	100 Ordinary of £1 each	100	100
		<u>          </u>	<u>          </u>
	<b>Allotted, called up and fully paid</b>		
	1 Ordinary of £1 each	1	1
		<u>          </u>	<u>          </u>
<b>15</b>	<b>Statement of movements on profit and loss account</b>		<b>Profit and loss account £</b>
	Balance at 1 April 2004		31,132
	Retained profit for the year		229,028
			<u>          </u>
	Balance at 31 March 2005		260,160
			<u>          </u>
<b>16</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	Profit for the financial year	229,028	81,132
	Dividends	-	(50,000)
		<u>          </u>	<u>          </u>
		229,028	31,132
	Proceeds from issue of shares	-	1
		<u>          </u>	<u>          </u>
	Net addition to shareholders' funds	229,028	31,133
	Opening shareholders' funds	31,133	-
		<u>          </u>	<u>          </u>
	Closing shareholders' funds	260,161	31,133
		<u>          </u>	<u>          </u>

### 17 Contingent liabilities

There is a cross guarantee between this company and each of the other companies within the group with regards to bank borrowing. At 31 March 2005, bank borrowings for the group totalled £4,393,810 (2004 £4,088,247).



# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

### 18 Financial commitments

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2005	2004	2005	2004
	£	£	£	£
Expiry date:				
Within one year	-	-	5,390	24,070
Between two and five years	-	-	148,204	36,828
In over five years	78,640	78,640	-	-
	<u>78,640</u>	<u>78,640</u>	<u>153,594</u>	<u>60,898</u>

### 19 Directors' emoluments

	2005	2004
	£	£
Emoluments for qualifying services	-	19,751
Company pension contributions to money purchase schemes	-	2,813
	<u>-</u>	<u>22,564</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 0 (2004- 1).

# MID ESSEX PREPACKED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

### 20 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2005 Number	2004 Number
Administration	5	4
Production	22	24
	<u>27</u>	<u>28</u>

#### Employment costs

	£	£
Wages and salaries	572,158	619,692
Redundancy costs	-	52,205
Social security costs	51,289	58,188
Other pension costs	17,470	24,057
	<u>640,917</u>	<u>754,142</u>

### 21 Ultimate Parent Company

The company is a wholly owned subsidiary of Cliffords Limited, a company registered in England and Wales.

One of the trustees of a family trust which holds 21% (2004 21%) of the issued share capital of Cliffords Limited is a partner with Bird Luckin, the groups auditors.

The directors consider the ultimate controlling parties to be RJC Stubbings, J Livens and J Wasmuth.

### 22 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

#### Kings Transport Limited

CAP Stubbings who is a director of this company is also a director and shareholder of Kings Transport Limited, owning 50% of that company's issued share capital.

During the year, Kings Transport Limited carried out haulage work for the company at commercial rates totalling £1,135,897 (2004 £1,122,414). There is a balance due to Kings Transport Limited at the year-end included within trade creditors of £213,020 (2004 £225,725).

# **MID ESSEX PREPACKED LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005**

---

### **23 Post balance sheet events**

In September 2005, having sold its trade and all of its assets to an un-connected third party, the company ceased to trade.