

**ETTLER LIMITED**  
**DIRECTORS' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**  
**COMPANY NUMBER: 3021975**



# ETTL LIMITED

## Directors

G McLellan  
K Driver

## Secretary and Registered Office

G McLellan  
Lady Lane Industrial Estate  
Hadleigh  
Ipswich  
Suffolk  
IP1 6AZ

## REPORT OF THE DIRECTORS

The directors submit their report and the financial statements for the year ended 31 December 2002. The financial statements present information about the company as an individual undertaking and not as a group. Group accounts are not required on the grounds that the group qualifies as a small group.

## ACTIVITIES AND BUSINESS REVIEW

The company's principal activity during the year was of a holding company, providing management services.

## FUTURE DEVELOPMENTS

The directors anticipate a continuation of the growth in the company's business.

## DIVIDENDS

The directors recommended and paid an interim dividend of £2.50 per share (2001: £1.50) for the A and B Ordinary shares. No final dividend is proposed (2001 final dividend : £nil per share).

## SHARE CAPITAL

The company is controlled by G McLellan who owns the majority of the issued share capital.

## DIRECTORS' AND THEIR INTERESTS

The directors who served during the year and their interests in the company were as follows:-

	At end of year		At beginning of year	
	A Ordinary shares	B Ordinary shares	A Ordinary shares	B Ordinary shares
G McLellan	13,500	4,500	13,500	4,500
K Driver	1,500	500	1,500	500

**ETTLER LIMITED**  
**REPORT OF THE DIRECTORS – CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

**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 year. 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
- to follow applicable accounting standards subject to any material departures disclosed and explained in the accounts

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. The directors 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**

A resolution to reappoint Messrs Edwards as auditors will be put to the members at the next Annual General Meeting in terms of section 385 of the Companies Act 1985.

In preparing this report advantage has been taken of special provisions in Part VII of the Companies Act 1985 relating to small companies.

*28 April, 2003*

By Order of the Board



**G McLellan**  
**Secretary**

# Edwards

15 Station Road  
St Ives  
Cambridgeshire  
PE27 5BH

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## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ETTLE LIMITED

We have audited the financial statements of Ettle Limited for the year ended 31 December 2002 on pages four to eight. These accounts have been prepared on the basis of 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 auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not 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 DIRECTORS AND AUDITORS

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the accounts 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 accounts, 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

### OPINION

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 2002 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

28 April 2003

  
Edwards  
Registered Auditors

**ETTLER LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	2002 £	2001 £
<b>TURNOVER</b>	1	155,000	204,000
Administrative expenses		(99,675)	(98,264)
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	2	55,325	105,736
Dividends receivable		300,000	-
Interest payable		(3,160)	(19,061)
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		352,165	86,675
Taxation	3	(16,271)	(12,550)
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		335,894	74,125
<b>DIVIDENDS PAID AND PROPOSED</b>	4	(50,000)	(30,000)
		<hr/>	<hr/>
<b>RETAINED PROFIT CARRIED FORWARD</b>		£ 285,894	£ 44,125
		<hr/>	<hr/>

**Continuing Operations**

Turnover and operating profit derive wholly from continuing operations.

**Total Recognised Gains and Losses**

There were no recognised gains or losses either in the current or preceding year other than those recorded in the profit and loss account.

ETTLE LIMITED  
BALANCE SHEET  
AS AT 31 DECEMBER 2002

	Notes	2002		2001	
		£	£	£	£
<b>FIXED ASSETS</b>					
Investments	5		844,100		844,100
<b>CURRENT ASSETS</b>					
Debtors	6	67,142		24,993	
Cash at bank and in hand		10,516		15,570	
		<u>77,658</u>		<u>40,563</u>	
<b>CREDITORS: Amounts falling due within one year</b>	7	<u>(73,290)</u>		<u>(92,594)</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>4,368</u>		<u>(52,031)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>848,468</u>		<u>792,069</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	8		-		(229,495)
			<u>£ 848,468</u>		<u>£ 562,574</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	9		20,000		20,000
Profit and loss account			828,468		542,574
<b>SHAREHOLDERS' FUNDS</b>	10		<u>£ 848,468</u>		<u>£ 562,574</u>

The directors have taken advantage in the preparation of the accounts of special provisions in Part VII of the Companies Act 1985 relating to small companies. In the opinion of the directors the company is entitled to those exemptions on the grounds that it qualifies as a small company.

These financial statements were approved by the board of directors on 28 April 2003 and were signed on its behalf by:



G McLellan  
Director

**ETTL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

**1 ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents sales invoiced net of Value Added Tax from the principal activity, which continued during the year and is all in respect of the UK market.

**Cash Flow Statement**

The company is a small company as defined by sections 246 and 247 of the Companies Act 1985. It has therefore taken advantage of the exemption conferred by Financial Report Standard Number 1 (revised) not to prepare a cash flow statement.

<b>2 OPERATING PROFIT</b>	<b>2002</b> <b>£</b>	<b>2001</b> <b>£</b>
This is stated after charging:		
Directors' remuneration	84,806	82,051
Directors' pension	5,000	5,800
Auditors' remuneration		
- audit fees	220	1,150
	<hr/>	<hr/>
<b>3 TAXATION</b>	<b>2002</b> <b>£</b>	<b>2001</b> <b>£</b>
<b>a) Analysis of charge in year</b>		
Current tax:		
UK Corporation tax on profits for the year	10,042	12,550
Underprovision in respect of previous years	6,229	-
	<hr/>	<hr/>
	£ 16,271	£ 12,550
	<hr/>	<hr/>
<b>b) Factors affecting the charge for year</b>		
Profit on ordinary activities before tax	352,165	86,675
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 19% (2001: 20%)	66,911	17,335
Effects of:		
Income exempted	(57,000)	-
Utilization of tax losses	-	-
Under/(over) provision on tax in previous years	6,229	(4,785)
Change in rate of tax	131	-
	<hr/>	<hr/>
	£16,271	£12,550
	<hr/>	<hr/>
<b>4 DIVIDENDS</b>	<b>2002</b> <b>£</b>	<b>2001</b> <b>£</b>
A Ordinary shares and B Ordinary shares		
- interim dividend paid of £2.50 per share (2001: £1.50)	50,000	30,000
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## ETTL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

## FOR THE YEAR ENDED 31 DECEMBER 2002

## 5 FIXED ASSETS

## Investments

Cost at 1 January 2002	844,100	844,100
Additions	-	-
Less diminution in investments	-	-
	<hr/>	<hr/>
Cost at 31 December 2002	£844,100	£844,100
	<hr/>	<hr/>

The subsidiaries of the company are as follows:-

Subsidiary	Nature of Business	Class of share	Shares held percentage
Skar Precision Mouldings Limited	Plastic injection moulding	Ordinary	100
Baker Plastics Company Limited	Dormant	Ordinary	100

The directors have taken advantage of the exemptions of Section 248 of the Companies Act 1985 not to prepare consolidated financial statements on the basis it is not a large group.

Skar Precision Mouldings Limited produced a profit of £59,593 for the year and had aggregate share capital and reserves of £256,614 at the year end.

Baker Plastics Company Limited – dormant.

## 6 DEBTORS

	2002 £	2001 £
Amounts owed by group companies	20,233	-
Other debtors	43,992	19,423
Corporation tax	-	2,653
Prepayments	2,917	2,917
	<hr/>	<hr/>
	£ 67,142	£ 24,993
	<hr/>	<hr/>

## 7 CREDITORS: Amounts falling due within one year

Corporation tax	10,042	-
Other taxes and social security	14,453	11,780
Amounts owed to group companies	-	79,473
Other creditors	21,367	-
Accruals	27,428	1,341
	<hr/>	<hr/>
	£ 73,290	£ 92,594
	<hr/>	<hr/>

## 8 CREDITORS: Amounts falling due after more than one year

Bank loans	£ -	£ 229,495
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Bank borrowings are secured by a personal guarantee by a director, a charge on the company's assets and a cross guarantee from a group company.

## 9 SHARE CAPITAL

	2002 £	2001 £
<b>Authorised, allotted, called up and fully paid</b>		
15,000 A Ordinary shares of £1 each	15,000	15,000
5,000 B Ordinary shares of £1 each	5,000	5,000
	<hr/>	<hr/>
	£ 20,000	£ 20,000
	<hr/>	<hr/>



**ETTLER LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

10	<b>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>	<b>2002 £</b>	<b>2001 £</b>
	<i>Profit for the year</i>	335,894	74,125
	<i>Dividends paid and proposed</i>	(50,000)	(30,000)
		<hr/>	<hr/>
	<i>Opening shareholders' funds</i>	285,894	44,125
		562,574	518,449
		<hr/>	<hr/>
	<i>Closing shareholders' funds</i>	£ 848,468	£ 562,574
		<hr/>	<hr/>
	Shareholders' funds is attributable as follows		
	<i>Equity</i>	£ 848,468	£ 562,574
		<hr/>	<hr/>

**11 CONTINGENT LIABILITIES**

The company's bankers have a cross-guarantee over the borrowings of other companies within the group.

**12 RELATED PARTIES**

During the year the company received the following income from Skar Precision Mouldings Limited, a subsidiary undertaking:-

Management charges	£155,000
Dividends received	£300,000
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The balance due to the company by Skar Precision Mouldings Limited amounted to £20,233 at the balance sheet date.

**13 CONTROLLING PARTY**

The ultimate controlling party is G McLellan, a director of the company.