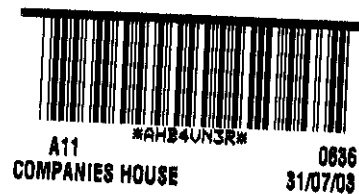


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**ESDALE LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**30TH SEPTEMBER 2002**

**Company Registration Number 1071506**



**BURLINSON STEWART & CO.**  
Chartered Accountants & Registered Auditors  
21 Henrietta Street  
Batley  
WF17 5DN

**ESDALE LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH SEPTEMBER 2002**

<b>CONTENTS</b>	<b>PAGES</b>
<i>Officers and professional advisers</i>	<b>1</b>
The directors' report	<b>2 to 3</b>
Independent auditors' report to the shareholders	<b>4 to 5</b>
Profit and loss account	<b>6</b>
Statement of total recognised gains and losses	<b>7</b>
Balance sheet	<b>8</b>
Cash flow statement	<b>9 to 10</b>
Notes to the financial statements	<b>11 to 20</b>

# **ESDALE LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

F. Eastwood  
D. Brown  
H. Brown  
D.R. Brown

**Company secretary**

D.R. Brown

**Registered office**

Thomas Street  
Bradford Road  
Batley

**Auditors**

Burlinson Stewart & Co.  
Chartered Accountants  
& Registered Auditors  
21 Henrietta Street  
Batley  
WF17 5DN

**ESDALE LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 30TH SEPTEMBER 2002**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th September 2002.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was as precision engineers and mould makers for the glass and plastic industries.

The past year has been a very difficult trading year with the demands for moulds at an all time low. We have embarked on a complete restructuring of both major factories, with the Glass Division being the first point of focus because of the heavy losses sustained during de-manning made necessary by loss of business to the Eastern Block. In the Glass Mould Division, we have made a substantial new investment on the latest state-of-the-art machine tools in order to reduce costs and improve our competitiveness. This is now in place and, along with the order contracts we have now secured, the next year will see a gradual return to profit. The Plastic Tooling Division has experienced a shortage of orders due to the massive drop in demand for tools across the UK. Whilst the market is not expected to change very quickly, the changes in the structure of the factory management and the planned new investment in more productive machine tools mean that we expect to return to profit by the end of 2003.

**RESULTS AND DIVIDENDS**

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

**THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests, including family holdings, in the shares of the company were as follows:

	<b>Ordinary Shares of £1 each</b>	
	At	At
	<b>30 September 2002</b>	<b>1 October 2001</b>
F. Eastwood	2,500	2,500
D. Brown	4,000	4,000
H. Brown	-	-
D.R. Brown	<u>4,875</u>	<u>4,875</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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 11 to 12, and then apply them consistently;

# ESDALE LIMITED

## THE DIRECTORS' REPORT *(continued)*

### YEAR ENDED 30TH SEPTEMBER 2002

make judgements and estimates that are reasonable and prudent; and

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. 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 re-appoint Burlinson Stewart & Co. as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
Thomas Street  
Bradford Road  
Batley

Signed by order of the directors



D.R.BROWN  
Company Secretary

Approved by the directors on 28th July 2003

# **ESDALE LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**

**YEAR ENDED 30TH SEPTEMBER 2002**

We have audited the financial statements on pages 6 to 20 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 11 to 12.

This report is made solely to the company's shareholders, 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 shareholders 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 accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Directors' Responsibilities on pages 2 to 3.

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. Our responsibilities do not extend to any other information.

### **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.

# ESDALE LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 30TH SEPTEMBER 2002

### 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 2002 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

*Burlinson Stewart & Co*

21 Henrietta Street  
Batley  
WF17 5DN

BURLINSON STEWART & CO.  
Chartered Accountants  
& Registered Auditors

28th July 2003

**ESDALE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30TH SEPTEMBER 2002**

	Note	2002 £	2001 £
<b>TURNOVER</b>	<b>2</b>	3,715,295	4,177,239
Cost of sales		3,484,565	4,072,007
<b>GROSS PROFIT</b>		<u>230,730</u>	<u>105,232</u>
Distribution Costs		18,792	27,043
Administrative expenses		441,708	500,199
Other operating income		<u>(51,602)</u>	<u>(45,121)</u>
<b>OPERATING LOSS</b>	<b>3</b>	<u>(178,168)</u>	<u>(376,889)</u>
Interest payable and similar charges	<b>6</b>	41,181	50,171
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(219,349)</u>	<u>(427,060)</u>
Tax on loss on ordinary activities		-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><u>(219,349)</u></u>	<u><u>(427,060)</u></u>

All of the activities of the company are classed as continuing.

The notes on pages 11 to 20 form part of these financial statements.



# ESDALE LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 30TH SEPTEMBER 2002

	2002 £	2001 £
Loss for the financial year attributable to the shareholders	(219,349)	(427,060)
Unrealised profit on revaluation of tangible fixed assets:		
Freehold Investment Property	<u>30,000</u>	<u>48,358</u>
Total gains and losses recognised since the last annual report	<u>(189,349)</u>	<u>(378,702)</u>

The notes on pages 11 to 20 form part of these financial statements.

**ESDALE LIMITED**  
**BALANCE SHEET**  
**30TH SEPTEMBER 2002**

	Note	2002		2001	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		2,658,064		2,292,311
<b>CURRENT ASSETS</b>					
Stocks	8	290,557		235,386	
Debtors	9	1,011,623		1,160,113	
Cash in hand		1,834		807	
			<u>1,304,014</u>		<u>1,396,306</u>
<b>CREDITORS: Amounts falling due within one year</b>	10		<u>2,059,237</u>		<u>1,602,793</u>
<b>NET CURRENT LIABILITIES</b>			(755,223)		(206,487)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,902,841</u>		<u>2,085,824</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	11		27,489		21,123
			<u>1,875,352</u>		<u>2,064,701</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	16		23,750		23,750
Revaluation reserve	17		78,358		48,358
Other reserves	18		1,250		1,250
Profit and loss account	19		1,771,994		1,991,343
<b>SHAREHOLDERS' FUNDS</b>	20		<u>1,875,352</u>		<u>2,064,701</u>

These financial statements were approved by the directors on the 28th July 2003 and are signed on their behalf by:

F. EASTWOOD  
 Director



The notes on pages 11 to 20 form part of these financial statements.

**ESDALE LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 30TH SEPTEMBER 2002**

	2002		2001	
	£	£	£	£
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>		813,092		(153,430)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>				
Interest paid	(32,834)		(39,627)	
Interest element of hire purchase	<u>(8,347)</u>		<u>(12,036)</u>	
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		(41,181)		(51,663)
<b>CAPITAL EXPENDITURE</b>				
Payments to acquire tangible fixed assets	(736,171)		(86,013)	
Receipts from sale of fixed assets	<u>31,618</u>		<u>35,448</u>	
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>		(704,553)		(50,565)
<b>CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>		<u>67,358</u>		<u>(255,658)</u>
<b>FINANCING</b>				
Capital element of hire purchase	(40,366)		(62,969)	
<b>NET CASH OUTFLOW FROM FINANCING</b>		(40,366)		(62,969)
<b>INCREASE/(DECREASE) IN CASH</b>		<u>26,992</u>		<u>(318,627)</u>

*The notes on pages 11 to 20 form part of these financial statements.*

# ESDALE LIMITED

## CASH FLOW STATEMENT *(continued)*

YEAR ENDED 30TH SEPTEMBER 2002

### RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2002	2001
	£	£
Operating loss	(178,168)	(376,889)
VAT surcharges payable	-	1,492
Depreciation	382,714	336,667
(Profit)/Loss on disposal of fixed assets	(13,914)	7,608
(Increase)/decrease in stocks	(55,171)	163,344
Decrease/(increase) in debtors	148,490	(456,458)
Increase in creditors	529,141	170,806
<b>Net cash inflow/(outflow) from operating activities</b>	<u>813,092</u>	<u>(153,430)</u>

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2002		2001	
	£	£	£	£
Increase/(decrease) in cash in the period	26,992		(318,627)	
Cash outflow in respect of hire purchase	<u>40,366</u>		<u>62,969</u>	
		67,358		(255,658)
<b>Change in net debt</b>		67,358		(255,658)
<b>Net debt at 1 October 2001</b>		(770,234)		(514,576)
<b>Net debt at 30 September 2002</b>		<u>(702,876)</u>		<u>(770,234)</u>

### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Oct 2001	Cash flows	At 30 Sep 2002
	£	£	£
Net cash:			
Cash in hand and at bank	807	1,027	1,834
Overdrafts	(682,075)	25,965	(656,110)
	<u>(681,268)</u>	<u>26,992</u>	<u>(654,276)</u>
Debt:			
Hire purchase agreements	(88,966)	40,366	(48,600)
<b>Net debt</b>	<u>(770,234)</u>	<u>67,358</u>	<u>(702,876)</u>

The notes on pages 11 to 20 form part of these financial statements.

**ESDALE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH SEPTEMBER 2002**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

**Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Freehold Property	2% on cost
Tools, equipment, fixtures and fittings	10 / 20% on cost
Motor Vehicles	25% on reducing balance

**Investment properties**

In accordance with SSAP 19:

- i) investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve; and
- ii) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investments with over 20 years to run.

The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise be shown cannot be separately identified or quantified.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**ESDALE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH SEPTEMBER 2002**

**1. ACCOUNTING POLICIES** *(continued)*

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**ESDALE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH SEPTEMBER 2002**

**2. TURNOVER**

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2002	2001
	£	£
United Kingdom	3,263,027	3,726,771
Europe	452,268	450,468
	<u>3,715,295</u>	<u>4,177,239</u>

**3. OPERATING LOSS**

Operating loss is stated after charging/(crediting):

	2002	2001
	£	£
Depreciation of owned fixed assets	375,165	294,319
Depreciation of assets held under hire purchase agreements	7,549	42,348
(Profit)/Loss on disposal of fixed assets	(13,914)	7,608
Operating lease costs:		
Plant and equipment	3,744	3,937
Auditors' remuneration	6,200	6,000
	<u>                    </u>	<u>                    </u>

**4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No	No
Number of production staff	87	89
Number of distribution staff	3	3
Number of administrative staff	12	11
	<u>102</u>	<u>103</u>

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	2,052,780	2,260,617
Social security costs	191,709	217,645
Other pension costs	108,001	103,496
	<u>2,352,490</u>	<u>2,581,758</u>

**ESDALE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH SEPTEMBER 2002**

**5. DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Emoluments receivable	144,450	151,014
Value of company pension contributions to money purchase schemes	10,597	12,020
	<u>155,047</u>	<u>163,034</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001
	No	No
Money purchase schemes	<u>3</u>	<u>3</u>

No director had a material interest in any contract with the company.

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	2002	2001
	£	£
Interest payable on bank borrowing	32,834	38,105
Finance charges	8,347	12,036
Other similar charges payable	—	30
	<u>41,181</u>	<u>50,171</u>



# ESDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 7. TANGIBLE FIXED ASSETS

	Freehold Property £	Tools, equipment, fixtures and fittings £	Motor Vehicles £	Freehold Investment Property £	Total £
<b>COST OR VALUATION</b>					
At 1 October 2001	605,976	6,332,921	184,149	350,000	7,473,046
Additions	–	702,516	33,655	–	736,171
Disposals	–	–	(92,634)	–	(92,634)
Revaluation	–	–	–	30,000	30,000
<b>At 30 September 2002</b>	<u>605,976</u>	<u>7,035,437</u>	<u>125,170</u>	<u>380,000</u>	<u>8,146,583</u>
<b>DEPRECIATION</b>					
At 1 October 2001	110,060	4,933,174	137,501	–	5,180,735
Charge for the year	10,808	360,888	11,018	–	382,714
On disposals	–	–	(74,930)	–	(74,930)
<b>At 30 September 2002</b>	<u>120,868</u>	<u>5,294,062</u>	<u>73,589</u>	<u>–</u>	<u>5,488,519</u>
<b>NET BOOK VALUE</b>					
<b>At 30 September 2002</b>	<u>485,108</u>	<u>1,741,375</u>	<u>51,581</u>	<u>380,000</u>	<u>2,658,064</u>
At 30 September 2001	<u>495,916</u>	<u>1,399,747</u>	<u>46,648</u>	<u>350,000</u>	<u>2,292,311</u>

The freehold investment property has been revalued at the year end on an open market value basis by the directors, and the increased value has been reflected in the financial statements.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2002 £	2001 £
<b>Net book value at end of year</b>	<u>380,000</u>	<u>350,000</u>
<b>Historical cost</b>	<u>356,211</u>	<u>356,211</u>
<b>Depreciation:</b>		
At 1 October 2001	<u>54,569</u>	<u>54,569</u>
At 30 September 2002	<u>54,569</u>	<u>54,569</u>
<b>Net historical cost value:</b>		
At 30 September 2002	<u>301,642</u>	<u>301,642</u>
At 1 October 2001	<u>301,642</u>	<u>301,642</u>

# ESDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 7. TANGIBLE FIXED ASSETS *(continued)*

#### Hire purchase agreements

Included within the net book value of £2,658,064 is £88,423 (2001 - £254,668) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £7,549 (2001 - £42,348).

### 8. STOCKS

	2002 £	2001 £
Raw materials	192,169	165,886
Work in progress	57,843	30,017
Loose tools and sundries	40,545	39,483
	<u>290,557</u>	<u>235,386</u>

The replacement value of stocks is not significantly different from cost.

### 9. DEBTORS

	2002 £	2001 £
Trade debtors	977,306	1,131,192
Prepayments and accrued income	34,317	28,921
	<u>1,011,623</u>	<u>1,160,113</u>

### 10. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	656,110	682,075
Trade creditors	1,031,294	479,493
Other creditors including taxation and social security:		
PAYE and social security	116,323	131,478
VAT	136,652	138,397
Hire purchase agreements	21,111	67,843
Other creditors	10,654	11,384
	<u>284,740</u>	<u>349,102</u>
Accruals and deferred income	87,093	92,123
	<u>2,059,237</u>	<u>1,602,793</u>

# ESDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 10. CREDITORS: Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	656,110	682,075
Hire purchase agreements	21,111	67,843
	<u>677,221</u>	<u>749,918</u>

The bank borrowings are secured by the freehold property and the hire purchase creditors are secured by the assets to which they relate.

### 11. CREDITORS: Amounts falling due after more than one year

	2002	2001
	£	£
Other creditors:		
Hire purchase agreements	<u>27,489</u>	<u>21,123</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2002	2001
	£	£
Hire purchase agreements	<u>27,489</u>	<u>21,123</u>

The hire purchase creditors are secured by the assets to which they relate.

### 12. CREDITORS - CAPITAL INSTRUMENTS

Creditors include finance capital which is due for repayment as follows:

	2002	2001
	£	£
Amounts repayable:		
In one year or less or on demand	677,221	749,918
In more than one year but not more than two years	15,734	13,250
In more than two years but not more than five years	11,755	7,873
	<u>704,710</u>	<u>771,041</u>

The above liabilities comprise the bank overdraft and hire purchase agreements.

# ESDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 13. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2002	2001
	£	£
Hire purchase agreements are analysed as follows:		
Current obligations	21,111	67,843
Non-current obligations	27,489	21,123
	<u>48,600</u>	<u>88,966</u>

### 14. DEFERRED TAXATION

No provision has been made in the financial statements and the amounts unprovided at the end of the year are as follows:

	2002	2001
	£	£
Excess of taxation allowances over depreciation on fixed assets	(156,859)	(203,446)
Tax losses available	197,112	206,861
	<u>40,253</u>	<u>3,415</u>

The potential deferred tax asset above has not been recognised in the accounts, as there is insufficient evidence that this will be recoverable. If the company returns to profitability in the future, then the deferred tax asset will be recoverable against future taxable profits.

### 15. COMMITMENTS UNDER OPERATING LEASES

At 30th September 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	<b>Assets Other Than Land &amp; Buildings</b>	
	2002	2001
	£	£
Operating leases which expire:		
Within 1 year	851	—
Within 2 to 5 years	—	3,403
	<u>851</u>	<u>3,403</u>

# ESDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 16. SHARE CAPITAL

#### Authorised share capital:

	2002	2001
	£	£
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

#### Allotted and called up:

	2002		2001	
	No	£	No	£
Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

### 17. REVALUATION RESERVE

	2002		2001	
	£		£	
Balance brought forward		48,358		—
Revaluation of fixed assets		<u>30,000</u>		<u>48,358</u>
Balance carried forward		<u>78,358</u>		<u>48,358</u>

### 18. OTHER RESERVES

	2002		2001	
	£		£	
Capital redemption reserve		<u>1,250</u>		<u>1,250</u>

# ESDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 19. PROFIT AND LOSS ACCOUNT

	2002	2001
	£	£
Balance brought forward	1,991,343	2,418,403
Accumulated loss for the financial year	(219,349)	(427,060)
Balance carried forward	<u>1,771,994</u>	<u>1,991,343</u>

### 20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Loss for the financial year	(219,349)	(427,060)
Other net recognised gains and losses	30,000	48,358
Net reduction to funds	(189,349)	(378,702)
Opening shareholders' equity funds	<u>2,064,701</u>	<u>2,443,403</u>
Closing shareholders' equity funds	<u>1,875,352</u>	<u>2,064,701</u>