

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

FOR

BODDINGTONS LIMITED



A10
COMPANIES HOUSE

AUGREUGH

0196
04/10/00

BODDINGTONS LIMITED

COMPANY INFORMATION

DIRECTOR: R M Boddington esq

SECRETARY: Mrs S J Reveley

REGISTERED OFFICE: Unit 10
Chelmsford Road Industrial Estate
Great Dunmow
Essex CM6 1HF

REGISTERED NUMBER: 01589762

AUDITORS: N.J. Liddell & Co.
Chartered Accountants
Moor Farm, Kings Lane
Sotherton
Beccles
Suffolk NR34 8AF

BODDINGTONS LIMITED

REPORT OF THE DIRECTOR

The director presents his report with the audited financial statements of the company for the year ended 31 December 1999.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacturers and distributors of printed warning tapes.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS AND TRANSFERS TO RESERVES

No interim dividends were paid during the year ended 31 December 1999.

The director recommends final dividends as follows:

£1 Ordinary Shares shares - NIL
£1 "A" Shares - £1.04 per share

The total distribution of dividends for the year ended 31 December 1999 will be £650 and the retained profit transferred to reserves will be £69,222.

DIRECTOR

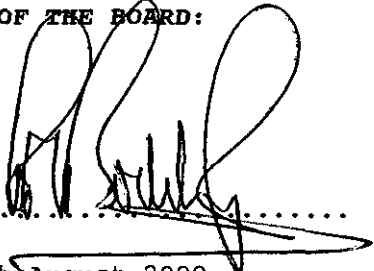
The director of the company in office during the year and his beneficial interest in the issued share capital was as follows:

<u>Name</u>	<u>Class of Capital</u>	<u>31.12.99</u>	<u>31.12.98</u>
R M Boddington esq	Ordinary Shares £1	24,399	24,399

AUDITORS

The auditors, N.J. Liddell & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD:



Director

Dated: 30th August 2000

BODDINGTONS LIMITED

DIRECTORS RESPONSIBILITIES & REPORT OF THE AUDITORS

Statement of 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; and prepare the financial statements 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 members of Boddingtons Limited

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out in the financial statements.

Respective responsibilities of directors and auditors.

As described above, the company's directors are responsible for the preparation of the 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

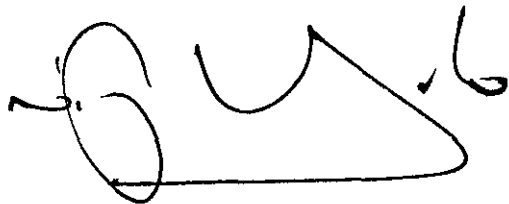
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 other irregularity or error. 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 31st December 1999 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

N J Liddell & Co
Chartered Accountants
and Registered Auditors
Moor Farm
Kings Lane, Sotherton
Beccles
Suffolk NR34 8AF



Dated: 30th August 2000

BODDINGTONS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 1999

		31.12.99		31.12.98	
	Notes	£	£	£	£
TURNOVER	2		3,768,665		3,751,541
Cost of Sales			2,088,072		2,024,314
			-----		-----
GROSS PROFIT			1,680,593		1,727,227
Administrative Expenses		1,275,594		1,338,462	
Other Operating Charges		298,702		334,534	
		-----	1,574,296	-----	1,672,996
			-----		-----
OPERATING PROFIT	4		106,297		54,231
Interest Receivable	5		774		1,365
			-----		-----
			107,071		55,596
Interest Payable and Similar Charges	6		31,737		26,773
			-----		-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			75,334		28,823
Tax on Profit on Ordinary Activities	7		5,462		9,441
			-----		-----
PROFIT FOR THE YEAR			69,872		19,382
Dividends	8		650		520
			-----		-----
			69,222		18,862
Retained Profit brought forward			687,818		668,956
			-----		-----
RETAINED PROFIT CARRIED FORWARD			£757,040		£687,818
			=====		=====

There are no recognised gains or losses in the year or previous year other than the profit (1998 profit) for the year. All amounts relate to continuing operations, there were no acquisitions or discontinued operations.

The notes form part of these financial statements

BODDINGTONS LIMITED

BALANCE SHEET
As at 31 December 1999

		31.12.99		31.12.98	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible Assets	9		445,756		352,910
CURRENT ASSETS:					
Stocks	10	250,254		312,309	
Debtors	11	1,029,332		791,668	
Cash at Bank		12,666		5,394	
		-----		-----	
		1,292,252		1,109,371	
CREDITORS: Amounts falling due within one year					
	12	915,810		671,409	
		-----		-----	
NET CURRENT ASSETS:					
			376,442		437,962
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES:					
			822,198		790,872
CREDITORS: Amounts falling due after more than one year					
Lease and Hire Purchase			25,158		63,054
			-----		-----
			£797,040		£727,818
			=====		=====
CAPITAL AND RESERVES:					
Called Up Share Capital	14		26,683		26,683
Share Premium	15		13,317		13,317
Profit & Loss Account			757,040		687,818
			-----		-----
			£797,040		£727,818
			=====		=====

.....
DIRECTOR

On behalf of the Board dated: 30th August 2000

The notes form part of these financial statements

BODDINGTONS LIMITED

CASH FLOW STATEMENT
for the Year Ended 31 December 1999

	31.12.99		31.12.98	
	£	£	£	£
NET CASH FLOW FROM OPERATING ACTIVITIES				
Operating Profit	106,297		45,607	
Depreciation and Loss/Profit on Sale	97,074		104,530	
(Increase)/Decrease in Stocks	62,055		(9,056)	
(Increase)/Decrease in Debtors	(237,664)		58,451	
(Decrease)/Increase in Creditors	(75,912)		21,230	
	-----	(48,150)	-----	220,762
NET CASH FLOW FROM INVESTMENT AND SERVICING OF FINANCE				
Interest Received	774		1,365	
Interest Paid	(31,737)		(18,149)	
	-----	(30,963)	-----	(16,784)
TAXATION				
Corporation Tax and ACT		(6,415)		(43,618)
		-----		-----
INVESTING ACTIVITIES				
		(85,528)		160,360
Purchase of Fixed Assets	(192,420)		(77,688)	
Sale of Fixed Assets	2,500		2,300	
Proceeds of Share Issue	-		-	
	-----	(189,920)	-----	(75,388)
Equity Dividend Paid		(650)		(520)
		-----		-----
FINANCING				
		(276,098)		84,452
Bank Loan	55,328		-	
Lease and Hire Purchase	(34,987)		25,594	
	-----	20,341	-----	25,594
INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS				
	£(255,757)		£110,046	
	=====		=====	
ANALYSIS OF CHANGES IN CASH & CASH EQUIVALENTS DURING THE YEAR				
Cash at Bank		7,272		(393)
Bank Overdraft		(263,029)		110,439
		-----		-----
		£(255,757)		£110,046
		=====		=====

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1999

1. **ACCOUNTING POLICIES**

Accounting Convention

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

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold Improvements	- 10% on reducing balance
Fixtures and Fittings	- 25% on written down value
Motor Vehicles	- 25% on written down value

Stocks

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

Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Hire Purchase and Leasing Commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet and are depreciated over their useful lives. The finance element of the repayment obligation is charged to profit and loss over the period of the agreement on a straight line basis.

2. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

BODDINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1999

3. **STAFF COSTS**

	1999	1998
	£	£
Wages, Salaries and National Insurance	780,533	916,542
Pension Contributions	138,331	66,443
	-----	-----
	918,864	982,985
	=====	=====

	1999	1998
The average weekly number of employees during the year was as follows:	45	53
	==	==

Due to the size of the company there is no formal classification of duties.

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	1999	1998
	£	£
Director's Emoluments	57,801	96,461
Compensation to Director for Loss of Office	-	30,000
Hire of Plant and Machinery	156	2,064
Depreciation - Owned Assets	52,819	56,233
Depreciation - Assets on Hire Purchase or Finance Leases	42,692	47,077
Loss on Disposal of Fixed Assets	1,563	1,220
Auditors' Remuneration	6,000	6,000
	=====	=====

5. **INTEREST RECEIVABLE**

	1999	1998
	£	£
Deposit Account Interest	774	1,365
	=====	=====

6. **INTEREST PAYABLE AND SIMILAR CHARGES**

	1999	1998
	£	£
Bank Loans, Overdrafts and Other Loans repayable within five years	31,737	26,773
	-----	-----
	31,737	26,773
	=====	=====

BODDINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1999

7. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1999	1998
	£	£
Based on the adjusted results of the year:		
UK Corporation Tax at 20.25% (1998 21%)	8,634	9,441
Over Provision Prior Year	(3,172)	-
	-----	-----
	5,462	9,441
	=====	=====

8. DIVIDENDS

	1999	1998
	£	£
Final - "A" Shares	650	520
	=====	=====

9. TANGIBLE FIXED ASSETS

	Leasehold Property	Leasehold Improvem- ents	Fixtures and Fittings	Motor Vehicles	Totals
	----- £	----- £	----- £	----- £	----- £
COST:					
As at 1 January 1999	8,000	120,871	898,208	109,925	1,137,004
Additions	-	9,304	152,926	30,190	192,420
Disposals	(8,000)	-	(20,990)	(17,187)	(46,177)
	-----	-----	-----	-----	-----
	-	130,175	1,030,144	122,928	1,283,247
	-----	-----	-----	-----	-----
DEPRECIATION:					
As at 1 January 1999	8,000	56,405	663,855	55,834	784,094
Charge for Year	-	6,911	69,618	18,982	95,511
Eliminated on Disposals	(8,000)	-	(17,725)	(16,389)	(42,114)
	-----	-----	-----	-----	-----
	-	63,316	715,748	58,427	837,491
	-----	-----	-----	-----	-----
NET BOOK VALUES:					
As at 31 December 1999	-	£66,859	£314,396	£64,501	£445,756
	=====	=====	=====	=====	=====
As at 31 December 1998	-	£64,466	£234,353	£54,091	£352,910
	=====	=====	=====	=====	=====

BODDINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1999

Fixed assets, included in the above, which are held under hire purchase or finance leases are as follows:

	Fixtures and Fittings	Motor Vehicles	Totals
	£	£	£
COST:			
As at 1 January 1999	207,406	77,238	284,644
Additions	79,195	30,190	109,385
Transferred to Ownership	-	(11,000)	(11,000)
	-----	-----	-----
	286,601	96,428	383,029
	-----	-----	-----
DEPRECIATION:			
As at 1 January 1999	116,466	26,945	143,411
Charge for Year	25,885	16,807	42,692
Transferred to Ownership	-	(5,300)	(5,300)
	-----	-----	-----
	142,351	38,452	180,803
	-----	-----	-----
NET BOOK VALUES:			
As at 31 December 1999	£144,250	£57,976	£202,226
	=====	=====	=====
As at 31 December 1998	£90,940	£50,293	£141,233
	=====	=====	=====

10. **STOCKS**

	1999	1998
	£	£
Stock of Raw Materials and Finished Goods	250,254	312,309
	=====	=====

11. **DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1999	1998
	£	£
Trade Debtors	866,714	718,378
Sundry Debtors and Prepayments	24,551	7,833
Other Debtors	138,067	65,457
	-----	-----
	1,029,332	791,668
	=====	=====

BODDINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1999

12. **CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1999	1998
	£	£
Bank Loans and Overdrafts (See Note 13)	481,849	163,492
Trade Creditors	306,798	372,604
Directors Current Accounts	28,039	1,742
Lease and Hire Purchase	58,234	55,325
Sundry Creditors	16,800	23,381
Other Taxes and PAYE	6,000	30,022
Taxation	8,190	9,143
Accrued Expenses	9,900	15,700
	-----	-----
	915,810	671,409
	=====	=====

13. **BANK LOANS AND OVERDRAFTS**

The aggregate amount of bank loans and overdrafts was as follows:

	1999	1998
	£	£
Falling due within one year		
Bank Overdraft	426,521	163,492
Bank Loan - current portion	55,328	-
	-----	-----
	481,849	163,492
	=====	=====

SECURITY

The bank overdraft and loans are secured by a debenture over the company's assets and by a legal Mortgage over the Freehold Property used by the company which is owned by one of the directors.

BODDINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1999

14. **CALLED UP SHARE CAPITAL**

			1999	1998
			£	£
Authorised:				
Number:	Class:	Nominal Value:		
100,000	Ordinary Shares	£1	100,000	100,000
10,000	"A" Shares	£1	10,000	10,000
			-----	-----
			110,000	110,000
			=====	=====
Allotted, issued and fully paid:				
Number:	Class:	Nominal Value:		
26,058	Ordinary Shares	£1	26,058	26,058
625	"A" Shares	£1	625	625
			-----	-----
			26,683	26,683
			=====	=====

15. **SHARE PREMIUM ACCOUNT**

			1999	1998
			£	£
Brought Forward			13,317	13,317
			=====	=====

16. **PENSION COMMITMENTS**

The company operates a money purchase scheme for the principal director and certain employees. This is funded as the director sees fit and there are no set contribution levels.

17. **TRANSACTIONS WITH DIRECTORS**

The company rents two industrial units from the principal director. The rent paid is commercial and is currently £3,500 per month.

18. **SHAREHOLDERS FUNDS**

			1999	1998
			£	£
Reconciliation of movement in shareholders funds				
Opening Shareholders Funds			727,818	708,956
Profit for the Year			69,872	19,382
			-----	-----
Dividends			797,690	728,338
			650	520
			-----	-----
Closing Shareholders Funds			797,040	727,818
			=====	=====