

# Boddingtons Limited

ABBREVIATED ACCOUNTS

for the year ended

30 June 2006



Company Registration No. 1589762

# Boddingtons Limited

## DIRECTORS' REPORT

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The directors present their report and financial statements of Boddingtons Limited for the year ended 30 June 2006.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of manufacturers and distributors of printed warning tapes and extruded plastic products.

### REVIEW OF THE BUSINESS

Boddingtons Limited has had a successful year despite challenging market conditions specifically the sustained high prices of raw materials. Although annual turnover increased by only 6% during the year ended 30 June 2006, the Directors are pleased to report a pre-tax profit of £141,000, an 110% increase on the profit for the year ended 30 June 2005. At the end of the financial year the company had net assets exceeding £1 million.

Boddingtons is an international company selling to all of the major markets of the world including Asia, Australasia, the Middle East, Europe and the Americas. In order to maintain and grow its position in the extruded plastics market segment in which the company operates, the Directors' stewardship of the company will address the inherent risks and uncertainties facing the company. These risks and uncertainties include:

- the retention and development of personnel, the company's most important asset;
- staying ahead of the company's competitors including those from low cost regions including China, India and Eastern Europe; and,
- continuing to meet, through the use and analysis of accurate management information, the challenges posed by volatile oil prices and the impact this has on the price of plastic.

The company plans to continue to expand and has placed orders for a further extrusion line in Maldon and other related plant. This plant is anticipated to be operational during 2007.

### RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £116,069.

### DIRECTORS

The following directors have held office since 1 July 2005:-

J P Warner  
Mrs S J Reveley  
Mrs M M Instone  
C E Boddington (Appointed 4 January 2006)

### DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

	<i>Ordinary shares of £ 1 each</i>	
	30.6.06	1.7.05
J P Warner	874	874
Mrs S J Reveley	-	-
Mrs M M Instone	-	-
C E Boddington	-	-

*Ordinary 'A' shares of £ 1 each*

# Boddingtons Limited

## DIRECTORS' REPORT


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	30.6.06	1.7.05
J P Warner	-	-
Mrs S J Reveley	-	-
Mrs M M Instone	-	-
C E Boddington	-	-

### AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants will be put to the members at the annual general meeting.

On behalf of the board



Mrs S J Reveley  
Director

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**Boddingtons Limited**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 June 2006**

	<i>Notes</i>	2006 £	2005 £
Gross profit		2,088,060	1,867,204
Other operating expenses	2	1,838,379	1,720,353
<b>OPERATING PROFIT</b>		<u>249,681</u>	<u>146,851</u>
Other interest receivable and similar income	3	12	258
		<u>249,693</u>	<u>147,109</u>
Interest payable and similar charges	4	108,329	79,889
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5	<u>141,364</u>	<u>67,220</u>
Taxation	7	25,295	7,029
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	16	<u><u>116,069</u></u>	<u><u>60,191</u></u>

The operating profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

# Boddingtons Limited

## BALANCE SHEET

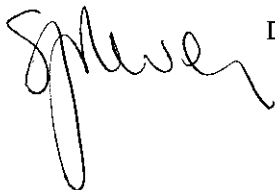
30 June 2006

	Notes	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets	8	1,304,707	1,163,620
Investments	9	152,877	152,932
		<u>1,457,584</u>	<u>1,316,552</u>
<b>CURRENT ASSETS</b>			
Stocks	10	416,319	348,026
Debtors	11	1,366,539	1,164,097
Cash at bank and in hand		14,479	12,142
		<u>1,797,337</u>	<u>1,524,265</u>
CREDITORS: Amounts falling due within one year	12	1,982,899	1,627,659
<b>NET CURRENT LIABILITIES</b>			
		<u>(185,562)</u>	<u>(103,394)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		1,272,022	1,213,158
<b>CREDITORS: Amounts falling due after more than one year</b>			
	13	(109,854)	(192,354)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
	14	(114,979)	(89,684)
		<u>1,047,189</u>	<u>931,120</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	28,764	28,764
Share premium account	16	29,695	29,695
Profit and loss account	16	988,730	872,661
<b>SHAREHOLDERS' FUNDS</b>			
	17	<u>1,047,189</u>	<u>931,120</u>

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

Approved by the board and authorised for issue on 17.1.07

Mrs S J Reveley



Director

# Boddingtons Limited

## CASH FLOW STATEMENT

for the year ended 30 June 2006

	<i>Notes</i>	2006 £	2005 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	18	400,723	411,471
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		12	258
Interest paid		(108,329)	(79,889)
Net cash outflow for returns on investments and servicing of finance		(108,317)	(79,631)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible assets		(111,757)	(99,814)
Payments to acquire investments		-	(152,932)
Receipts from sales of tangible assets		2,468	3,360
Receipts from sales of investments		55	-
Net cash outflow for capital expenditure		(109,234)	(249,386)
Net cash inflow before management of liquid resources and financing		183,172	82,454
FINANCING			
Issue of ordinary share capital		-	18,459
New long term bank loan		8,173	-
Other new short term loans		41,137	-
Repayment of long term bank loan		-	(20,000)
Capital element of hire purchase contracts		(205,655)	(167,272)
Net cash outflow from financing		(156,345)	(168,813)
INCREASE/(DECREASE) IN CASH IN THE YEAR		26,827	(86,359)

# Boddingtons Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

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

### RESEARCH AND DEVELOPMENT

All research and development costs are written off as incurred.

### TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Short leasehold improvements	over the period of the lease
Fixtures, fittings & equipment	10-15% reducing balance
Motor vehicles	25% reducing balance

### INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

### STOCK

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

### 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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are 'operating leases' and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

### PENSIONS CONTRIBUTIONS

The company operates a defined contribution pension scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year.

### FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### GROUP ACCOUNTS

The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

# Boddingtons Limited

## ACCOUNTING POLICIES (CONTINUED)

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### TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold to customers.



**Boddingtons Limited**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**for the year ended 30 June 2006**

1. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The contributions of the various activities of the company to turnover, which are in respect of continuing activities, are set out below:

By geographical market:

	Turnover	
	2006	2005
	£	£
UK	4,107,403	3,952,917
Rest of World	2,207,561	1,955,804
	<u>6,314,964</u>	<u>5,908,721</u>

2. OTHER OPERATING EXPENSES

	2006	2005
	£	£
Administrative expenses	1,838,379	1,642,668
Administrative expenses - exceptional (see below)	-	77,685
	<u>1,838,379</u>	<u>1,720,353</u>

The exceptional item in 2005 relates to a bad debt provision in respect of amounts due from Boddingtons France Limited, a company which was 55% owned by Boddingtons Limited

3. INVESTMENT INCOME

	2006	2005
	£	£
Bank interest	12	258
	<u>12</u>	<u>258</u>

4. INTEREST PAYABLE

	2006	2005
	£	£
On bank loans and overdrafts	49,670	37,281
Hire purchase interest	58,659	42,608
	<u>108,329</u>	<u>79,889</u>

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2006	2005
	£	£
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible assets:		
Charge for the year:		
owned assets	12,721	7,518
leased assets	62,000	64,740
(Profit)/loss on disposals	(743)	532
Research and development:		
Current year's expenditure	66,339	115,199
Operating lease rentals:		
Land and buildings	234,870	230,000
Profit on foreign exchange transactions	(11,498)	(5,685)
Auditors' remuneration	6,000	5,000
	<u>          </u>	<u>          </u>

### 6. EMPLOYEES

The average monthly number of persons (including directors) employed by the company during the year was:	2006	2005
	No.	No.

Production	28	28
Administration	18	18
	<u>          </u>	<u>          </u>
	46	46
	<u>          </u>	<u>          </u>

Staff costs for the above persons:

Wages and salaries	1,120,656	1,141,373
Social security costs	112,292	107,099
Other pension costs	40,861	6,606
	<u>          </u>	<u>          </u>
	1,273,809	1,255,078
	<u>          </u>	<u>          </u>

### DIRECTORS' REMUNERATION

	2006	2005
	£	£
Emoluments for qualifying services	8,450	96,555
Company pension contributions to money purchase schemes	26,122	6,606
	<u>          </u>	<u>          </u>
	34,572	103,161
	<u>          </u>	<u>          </u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2005- 3).

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

7. TAXATION	2006	2005
Current tax charge	-	-
Deferred tax		
Deferred tax charge/credit current year	25,295	7,029
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	141,364	67,220
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax for small companies of 19.00% (2005: 19.00%)	26,859	12,772
Effects of:		
Non deductible expenses	1,719	19,391
Depreciation in excess of capital allowances	835	(15,905)
Tax losses utilised	(26,132)	(5,288)
Research and development enhancement	(3,281)	(10,944)
Other tax adjustments	-	(26)
	(26,859)	(12,772)
Current tax charge	-	-

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

### 8. TANGIBLE FIXED ASSETS

	<i>Short leasehold improvements</i>	<i>Fixtures, fittings &amp; equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£
<b>Cost</b>				
1 July 2005	131,893	1,664,197	5,730	1,801,820
Additions	-	217,533	-	217,533
Disposals	-	-	(3,730)	(3,730)
30 June 2006	<u>131,893</u>	<u>1,881,730</u>	<u>2,000</u>	<u>2,015,623</u>
<b>Depreciation</b>				
1 July 2005	40,202	594,743	3,255	638,200
Charge in the year	4,000	70,501	220	74,721
Disposals	-	-	(2,005)	(2,005)
30 June 2006	<u>44,202</u>	<u>665,244</u>	<u>1,470</u>	<u>710,916</u>
<b>Net book value</b>				
30 June 2006	<u>87,691</u>	<u>1,216,486</u>	<u>530</u>	<u>1,304,707</u>
30 June 2005	<u>91,691</u>	<u>1,069,454</u>	<u>2,475</u>	<u>1,163,620</u>

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

	<i>Fixtures, fittings &amp; equipment</i>
	£
<b>Net book value</b>	
30 June 2006	<u>683,732</u>
30 June 2005	<u>593,391</u>

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) for the year ended 30 June 2006

### 9. FIXED ASSET INVESTMENTS

	<i>Shares in group undertakings</i>
	£
Cost	
1 July 2005	152,932
Disposals	(55)
	<hr/>
30 June 2006	<u>152,877</u>

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

<i>Company</i>	<i>Country of registration or incorporation</i>	<i>Shares held</i>	
		<i>Class</i>	<i>%</i>
Subsidiary undertakings			
Boddingtons Australia Pty Ltd	Australia	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	<i>Capital and reserves</i>	<i>Profit/(loss) for the year</i>
	£	£
Boddingtons Australia Pty Ltd	89,711	(72,384)
	<hr/>	<hr/>

Boddingtons France Limited was dissolved during the year.

10. STOCKS	2006	2005
	£	£
Finished goods and goods for resale	<u>416,319</u>	<u>348,026</u>

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

11. DEBTORS	2006	2005
	£	£
Due within one year:		
Trade debtors	1,167,767	889,273
Amounts owed by subsidiary undertakings	139,729	210,906
Other debtors	2,787	-
Prepayments and accrued income	56,256	63,918
	<u>1,366,539</u>	<u>1,164,097</u>
	<u><u>1,366,539</u></u>	<u><u>1,164,097</u></u>
12. CREDITORS: Amounts falling due within one year	2006	2005
	£	£
Bank overdraft	447,551	472,041
Bank loans	41,137	-
Obligations under finance lease and hire purchase contracts	164,924	174,130
Trade creditors	1,205,704	828,938
Taxes and social security costs	40,206	59,741
Directors' current accounts	10,843	10,843
Accruals and deferred income	72,534	81,966
	<u>1,982,899</u>	<u>1,627,659</u>
	<u><u>1,982,899</u></u>	<u><u>1,627,659</u></u>

The bank overdraft included within creditors due in less than one year is secured by a mortgage debenture, a guarantee by Boddingtons International Limited (an associated company) and £30,000 pledged by certain of the directors.

Bank loans are in respect of plant and machinery purchased in the year, with the balances secured against those assets to which they relate.

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

13. CREDITORS: Amounts falling due in more than one year	2006	2005
	£	£
Bank loans	8,173	-
Obligations under finance leases and hire purchase agreements	101,681	192,354
	<u>109,854</u>	<u>192,354</u>
Loans		
Wholly repayable within five years	49,310	-
Included in current liabilities	(41,137)	-
	<u>8,173</u>	<u>-</u>
Loan maturity analysis:		
In more than one year but not more than two years	<u>8,173</u>	<u>-</u>
	2006	2005
	£	£
Obligations under finance leases and hire purchase contracts:		
Repayable within one year	164,924	174,130
Repayable between two and five years	101,681	192,354
	<u>266,605</u>	<u>366,484</u>
	266,605	366,484
Included in current liabilities	<u>(164,924)</u>	<u>(174,130)</u>
	<u>101,681</u>	<u>192,354</u>

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

### 14. PROVISIONS FOR LIABILITIES AND CHARGES

	<i>Deferred taxation</i> £
Balance at 1 July 2005	89,684
Transfer from profit and loss account	25,295
	<hr/>
Balance at 30 June 2006	114,979
	<hr/> <hr/>

Deferred taxation provided in the financial statements is as follows:

	2006 £	2005 £
Excess of tax allowances over depreciation	130,430	131,266
Tax losses available	(15,451)	(41,582)
	<hr/>	<hr/>
	114,979	89,684
	<hr/> <hr/>	<hr/> <hr/>

### 15. SHARE CAPITAL

	2006 £	2005 £
Authorised:		
100,000 Ordinary shares of £1 each	100,000	100,000
10,000 Ordinary 'A' shares of £1 each	10,000	10,000
	<hr/>	<hr/>
	110,000	110,000
	<hr/> <hr/>	<hr/> <hr/>
Allotted, issued and fully paid:		
28,764 Ordinary shares of £1 each	28,764	28,764
	<hr/> <hr/>	<hr/> <hr/>

### 16. STATEMENT OF MOVEMENT ON RESERVES

	<i>Share premium account</i> £	<i>Profit and loss account</i> £
1 July 2005	29,695	872,661
Retained profit for the year	-	116,069
	<hr/>	<hr/>
30 June 2006	29,695	988,730
	<hr/> <hr/>	<hr/> <hr/>



# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

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17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2006	2005
	£	£
Profit for the financial year	116,069	60,191
Proceeds from issue of shares	-	18,459
	<hr/>	<hr/>
Net addition to shareholders' funds	116,069	78,650
Opening shareholders' funds	931,120	852,470
	<hr/>	<hr/>
Closing shareholders' funds	1,047,189	931,120
	<hr/> <hr/>	<hr/> <hr/>

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

18. CASH FLOWS			2006	2005
			£	£
a. Reconciliation of operating profit to net cash inflow from operating activities				
Operating profit			249,681	146,851
Depreciation of tangible assets			74,721	72,258
(Profit)/loss on disposal of tangible assets			(743)	532
(Increase)/decrease in stocks			(68,293)	97,974
(Increase)/decrease in debtors			(202,442)	15,559
Increase in creditors within one year			347,799	78,297
			<u>400,723</u>	<u>411,471</u>
Net cash inflow from operating activities			<u>400,723</u>	<u>411,471</u>
b. Analysis of net debt	1 July 2005	Cash flow	Other non-cash changes	30 June 2006
	£	£	£	£
Net cash:				
Cash at bank and in hand	12,142	2,337	-	14,479
Bank overdrafts	(472,041)	24,490	-	(447,551)
	<u>(459,899)</u>	<u>26,827</u>	<u>-</u>	<u>(433,072)</u>
Bank deposits	-	-	-	-
Debt:				
Finance leases	(366,484)	137,647	(37,768)	(266,605)
Debts falling due within one year	-	(41,137)	-	(41,137)
Debts falling due after one year	-	(8,173)	-	(8,173)
	<u>(366,484)</u>	<u>88,337</u>	<u>(37,768)</u>	<u>(315,915)</u>
Net debt	<u>(826,383)</u>	<u>115,164</u>	<u>(37,768)</u>	<u>(748,987)</u>
c. Reconciliation of net cash flow to movement in net debt			2006	2005
			£	£
Increase/(decrease) in cash in the year			26,827	(86,359)
Cash outflow from decrease in debt and lease financing			88,337	187,272
			<u>115,164</u>	<u>100,913</u>
Change in net debt resulting from cash flows			115,164	100,913
New finance lease			(37,768)	-
			<u>77,396</u>	<u>100,913</u>
Movement in net debt in the year			77,396	100,913
Opening net debt			(826,383)	(927,296)
			<u>(748,987)</u>	<u>(826,383)</u>
Closing net debt			<u>(748,987)</u>	<u>(826,383)</u>

# Boddingtons Limited

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

for the year ended 30 June 2006

19. CAPITAL COMMITMENTS	2006	2005
	£	£
Capital expenditure contracted for but not provided in the financial statements	-	139,260

### 20. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2006 the company had annual commitments under non-cancellable operating leases as follows:

	2006	2005
	£	£
Land and buildings expiring after five years	200,565	224,565
Plant and machinery expiring in the second to fifth year	23,180	6,676
	<u>223,745</u>	<u>231,241</u>

### 21. PENSION COMMITMENTS

#### DEFINED CONTRIBUTION

	2006	2005
	£	£
Contributions payable by the company for the year	40,861	6,606

### 22. TRANSACTIONS WITH DIRECTORS

Management fees of £256,000 (2005: £83,069) were paid to Boddingtons International Limited, a company controlled by the directors. No amounts were outstanding in this respect at the year end.

### 23. SUBSEQUENT EVENTS

During the year finance facilities up to a maximum of £900,000 were arranged for the purchase and ongoing investment in the fixed assets of the company, the value owed at the year end was £Nil. Since the year end £96,261 has been paid in respect of supplier deposits for purchases, using the new finance facilities available.