

**PERMALI LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 1998**

**Registered Number: 326248**



# **PERMALI LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1998**

The directors submit their report and financial statements for the year ended 31 December 1998.

### **REVIEW OF THE BUSINESS**

The company did not trade during the year and there are no plans to commence trading in the foreseeable future. Accordingly, the company made neither profit nor loss. The company was assigned a minority shareholding in a company registered in India during the year. Details of this investment are included in note 3 to the financial statements

### **DIRECTORS AND THEIR INTERESTS**

The directors who served through the year, none of whom held any interest in the share capital of the company, were as follows:

L Cant	(resigned 18 September 1998)
W T Minick	(resigned 18 September 1998)
R B D Cole	(appointed 18 September 1998)
M W Mallorie	(appointed 18 September 1998)
M J O'Neill	(appointed 18 September 1998)
J O J Lawrence*	(appointed 18 September 1998)

\* J O J Lawrence is a non-executive director

# **PERMALI LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 1998 (continued)**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each 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; and
- prepare the accounts 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.

### **AUDITORS**

PricewaterhouseCoopers were appointed as auditors during the year and have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board



J O J Lawrence  
Secretary

17 September 1999

## **AUDITORS' REPORT TO THE MEMBERS OF PERMALI LIMITED**

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

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

The directors are responsible for preparing the Annual Report, including as described on page 2 the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

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. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **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 31 December 1998 and have been properly prepared in accordance with the Companies Act 1985.



**PRICEWATERHOUSECOOPERS**  
Chartered Accountants  
and Registered Auditors


17 September 1999

# PERMALI LIMITED

## BALANCE SHEET AT 31 DECEMBER 1998

	<u>Notes</u>	<u>1998</u> £	<u>1997</u> £
<b>FIXED ASSETS</b>			
Investments	3	50,000	-
<b>CURRENT ASSETS</b>			
Amounts due from parent and fellow subsidiary undertakings		<u>1,686,281</u>	<u>1,736,281</u>
		<u>1,736,281</u>	<u>1,736,281</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	<u>1,736,281</u>	<u>1,736,281</u>

Approved by the Board on 17 September 1999

  
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Director

The notes on pages 5 to 6 form part of these financial statements.

# **PERMALI LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998**

### **1 ACCOUNTING POLICY**

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

### **2 PROFIT AND LOSS ACCOUNT**

During the year and the Company has not traded on its own account, has not incurred any liabilities and consequently, has made neither profit nor loss. None of the directors received any emoluments in respect of their services to the Company.

### **3 INVESTMENTS**

Following the acquisition of the company by Colamane Limited on 18<sup>th</sup> September 1998, the company was assigned a 9% shareholding in Permal Wallace Limited, a moulding company registered in India.

### **4 CALLED UP SHARE CAPITAL**

	<u>1998</u> £'000	<u>1997</u> £'000
<b>Authorised</b>		
20,000,000 ordinary shares of 10p each	2,000,000	2,000,000
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
17,362,811 ordinary shares of 10p each	1,736,281	1,736,281
	<u>          </u>	<u>          </u>

### **5 STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

As the Company did not trade during the year and as there were no movements in shareholders' funds, a Statement of Total Recognised Gains and Losses and a Reconciliation of Movement in Shareholders' Funds have not been prepared.

### **6 CONTINGENT LIABILITIES**

Bank loans of £3,000,000 included within the liabilities of Colamane Limited are secured by cross guarantees and debentures giving fixed and floating charges on the assets of the group, including those of Permal Limited.

## **PERMALI LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998 (continued)**

#### **7 ULTIMATE PARENT UNDERTAKING**

The ultimate parent undertaking of Permal Limited at the start of the period was Unipoly Industrials BV, a company incorporated in the Netherlands.

On 18<sup>th</sup> September 1998 Colamane Limited, a company incorporated in Great Britain, acquired the entire share capital of Permal Limited and consequently the ultimate parent undertaking at the period end is Colamane Limited.

Colamane Limited is the largest and smallest company to consolidate the results of Permal Limited. Copies of the accounts can be obtained from Colamane Limited, Bristol Road, Gloucester GL1 5TT.

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