

Registered Number 497339

W H Boddington & Co Limited  
Annual report  
for the year ended 31 December 2002



# **W H Boddington & Co Limited**

## **Annual report for the year ended 31 December 2002**

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# **W H Boddington & Co Limited**

## **Directors and advisers for the year ended 31 December 2002**

### **Directors**

D R Boddington (resigned 28 February 2002)

D M Boddington (resigned 28 February 2002)

A O Fischer

I Fisher

A T Fletcher

A J Rapp

S A Smith

P J Corden

D C Warner

J J Henderson (appointed 7 January 2002)

N Bradbury (appointed 4 February 2002)

### **Secretary**

J J Henderson (appointed 7 January 2002)

D M Boddington (resigned 7 January 2002)

### **Auditors**

PricewaterhouseCoopers LLP

Benson House

33 Wellington Street

Leeds

LS1 4JP

### **Solicitors**

S J Berwin & Co

222 Grays Inn Road

London

WC1X 4HB

### **Bankers**

The Royal Bank of Scotland

Corporate Banking Office

5-10 Great Towers Street

London

EC3P 3HX

### **Registered office**

Goudhurst Road

Horsmonden

Kent

TN12 8AH

### **Registered number**

497339

# W H Boddington & Co Limited

## Directors' report for the year ended 31 December 2002

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

### Principal activity

The principal activity of the company during the year remained that of plastics injection moulders.

### Review of business and future developments

The performance of the business improved during the year, and the directors expect that this will continue for the foreseeable future.

### Results and dividends

The profit and loss account for the year is set out on page 5.

An interim dividend of £190,000 has been paid in the year, no final dividend is proposed in respect of the year ended 31 December 2002 (2001: £300,000 – final dividend proposed).

The profit for the year of £159,642 (2001: retained loss of £302,396) will be transferred to reserves.

### Directors

The directors of the company at 31 December 2002, all of whom have been directors for the whole of the year then ended, except where stated, are shown on page 1.

In accordance with the Articles of Association, no director retires by rotation.

### Directors and their interests

None of the directors held any beneficial interests in the share capital of the company during the year.

AT Fletcher, AO Fischer, I Fisher and SA Smith are also directors of the ultimate parent undertaking, Helix Industries Limited, and their interests in the share capital and unsecured loan notes of that company are shown in the accounts of Helix Industries Limited.

The interest of the directors, in the shares of the ultimate parent undertaking, Helix Industries Limited, as at 31 December 2002 and 31 December 2001, or at date of resignation\*, are shown below:

	'C' Ordinary shares Number	Preference shares Number
A J Rapp	4,378	1,543
P J Corden	2,187	771
D R Boddington*	4,378	1,543
D M Boddington*	4,378	1,543

# W H Boddington & Co Limited

## Directors' report for the year ended 31 December 2002 (continued)

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that year.

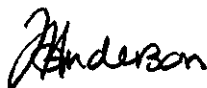
The directors confirm that suitable accounting policies have been used and applied consistently with the exception of new accounting standards adopted in the year as explained on pages 7 and 8 under 'Accounting policies'. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2002, that applicable accounting standards have been followed, and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records that 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

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 20 January 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the Board



J J Henderson

Secretary

7 May 2003

# W H Boddington & Co Limited

## Independent auditors' report to the members of W H Boddington & Co Limited

We have audited the financial statements which comprise the profit and loss account, the note of historical cost profits and losses, the balance sheet and the related notes.

### Respective responsibilities of directors and 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.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 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. The other information comprises only the directors' report.

### Basis of audit 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 at 31 December 2002 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Leeds  
7 May 2003

# W H Boddington & Co Limited

## Profit and loss account for the year ended 31 December 2002

	Note	2002 £	2001 £
Turnover	1	6,481,594	6,404,600
Cost of sales		(4,308,923)	(4,626,255)
Gross profit		2,172,671	1,778,345
Administrative expenses		(1,656,532)	(1,778,621)
Operating profit/(loss)	2	516,139	(276)
Interest receivable and similar income	5	3,382	5,052
Profit on ordinary activities before taxation		519,521	4,776
Tax on profit on ordinary activities	6	(169,879)	(7,172)
Profit/(loss) on ordinary activities after taxation		349,642	(2,396)
Dividends	7	(190,000)	(300,000)
Retained profit/(loss sustained) for the financial year	14, 15	159,642	(302,396)

All of the activities during the year relate to continuing operations.

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

## Note of historical cost profits and losses for the year ended 31 December 2002

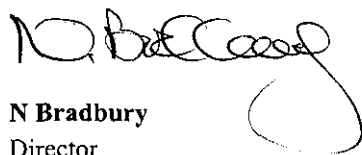
	2002 £	2001 £
Reported profit on ordinary activities before taxation	519,521	4,776
Difference between historical cost depreciation charge and the actual depreciation charge for the period calculated on the revalued amount	2,512	2,512
Historical cost profit on ordinary activities before taxation	522,033	7,288
Historical cost retained profit/(loss sustained) for the financial year	162,154	(299,884)

# W H Boddington & Co Limited

## Balance sheet as at 31 December 2002

	Note	2002 £	2001 £
<b>Fixed assets</b>			
Tangible fixed assets	8	1,238,602	1,328,256
<b>Current assets</b>			
Stock	9	446,585	428,857
Debtors: amounts falling due within one year	10	1,168,208	1,572,052
Debtors: amounts falling due after more than one year	10	192,090	98,732
Cash at bank and in hand		71,560	1,000
		1,878,443	2,100,641
Creditors: amounts falling due within one year	11	(1,282,143)	(1,748,553)
<b>Net current assets</b>		596,300	352,088
<b>Total assets less current liabilities</b>		1,834,902	1,680,344
Provisions for liabilities and charges	12	(88,016)	(93,100)
<b>Net assets</b>		1,746,886	1,587,244
<b>Capital and reserves</b>			
Called up equity share capital	13	147,200	147,200
Revaluation reserve	14	175,412	175,412
Other reserves	14	364,363	364,363
Profit and loss account	14	1,059,911	900,269
<b>Equity shareholders' funds</b>	15	1,746,886	1,587,244

The financial statements on pages 5 to 19 were approved by the board of directors on 7 May 2003 and were signed on its behalf by:

  
N Bradbury  
Director

# W H Boddington & Co Limited

## Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The principal accounting policies are set out below.

### Changes in accounting policies

During the year the company adopted FRS19 'Deferred taxation' in these financial statements. The adoption of the standard represents a change in accounting policy but has not given rise to any changes in comparative figures, therefore no restatement is required.

### Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, as modified by the revaluation of certain land and buildings.

### Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Freehold buildings	2%
Plant and machinery	10%
Computer equipment	25 – 33%
Motor vehicles	25%
Fixtures and fittings	15%

Freehold land is not depreciated.

### Stocks

Stocks are stated at the lower of cost and net realisable value.

### Revenue recognition

Revenue, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied. Revenue is recognised on invoice once the relevant goods have been despatched or service performed.

### Pension scheme arrangements

The company contributes to a defined benefit pension scheme. Contributions to the scheme are charged to the profit and loss account in the year in which they become payable.

# **W H Boddington & Co Limited**

## **Accounting policies (continued)**

### **Deferred taxation**

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise, based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in different periods from those in which they are included in the financial statements.

Deferred tax assets are recognised only to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### **Lease agreements**

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

### **Research and development**

Expenditure on research and development is charged to the profit and loss account as incurred.

### **Cash flow statement**

At the year end, the company was a wholly owned subsidiary of Helix Industries Limited, a company registered in England and Wales, and the cash flows of the company are included in the publicly available consolidated cash flow statement of that company. Consequently, the company is exempt under the terms of Financial Reporting Standard No.1 (Revised) from publishing a cash flow statement.

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002

### 1 Turnover

The whole of the company's turnover relates to one class of business, being its principal activity. Turnover consists of sales made in the United Kingdom to:

	2002 £	2001 £
United Kingdom	6,397,991	6,277,419
Rest of the World	83,603	127,181
	6,481,594	6,404,600

### 2 Operating profit/(loss)

	2002 £	2001 £
<b>Operating profit/(loss) is stated after charging/(crediting):</b>		
Depreciation on tangible owned fixed assets	212,459	203,437
Management charge	72,000	72,000
Operating lease charges	28,604	18,900
Auditors' remuneration in respect of audit services	13,200	10,500
Profit on sale of tangible fixed assets	(13,982)	(10,900)

### 3 Directors' emoluments

	2002 £	2001 £
Aggregate emoluments	440,039	273,387
Accrual in respect of future emoluments for A J Rapp	-	126,515
	440,039	399,902

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 3 Directors' emoluments (continued)

An accrual in respect of future emoluments for A J Rapp, who is currently receiving long-term incapacity payments, was made in 2001 to recognise the company's maximum liability to meet such costs. During 2002 £75,640 has been utilised, resulting in an accrual of £50,875 at 31 December 2002.

Retirement benefits are accruing to four (2001: four) directors under a defined benefit scheme.

A O Fischer, I Fisher, A T Fletcher and S A Smith are employed and remunerated through the ultimate parent undertaking, Helix Industries Limited. Details of their remuneration are included within the financial statements of that company.

	2002	2001
	£	£
<b>Highest paid director</b>		
Aggregate emoluments	130,052	106,896
Accrued pension at the end of the period in respect of a defined benefit pension scheme	-	45,873

### 4 Employee information

The average monthly number of persons (including executive directors) employed by the company during the year was:

By activity	2002	2001
	Number	Number
Production	86	89
Administration	27	29
	113	118
<b>Staff costs (for the above persons)</b>	<b>£</b>	<b>£</b>
Wages and salaries	2,160,754	2,133,324
Social security costs	169,806	164,974
Other pension costs (see note 18)	231,789	243,955
	2,562,349	2,542,253

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 5 Interest receivable and similar income

	2002	2001
	£	£
Bank interest receivable	3,382	5,052

### 6 Tax on profit on ordinary activities

(a) The tax charge for the year comprises:

	2002	2001
	£	£
United Kingdom corporation tax at 30% (2001: 30%)		
Current	155,000	(4,793)
Deferred	2,114	-
Under/(over) provision in respect of prior years		
Current	19,963	11,965
Deferred	(7,198)	-
<b>Tax on profit on ordinary activities</b>	<b>169,879</b>	<b>7,172</b>

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 6 Tax on profit on ordinary activities (continued)

#### (b) Factors affecting the tax charge for the year

The differences between total current tax assessed and the standard rate of corporation tax in the UK are explained below:

	2002 £	2001 £
Profit on ordinary activities before tax	519,521	4,776
Profit on ordinary activities multiplied by the standard rate of UK tax of 30% (2001: 30%)	155,856	1,433
Effects of:		
Accelerated capital allowances and other timing differences	(1,823)	(7,695)
Permanent differences	967	1,469
Prior year under provision	19,963	11,965
Total current tax	174,963	7,172

### 7 Dividends

	2002 £	2001 £
Interim dividend paid £1.29 per share	190,000	-
Final ordinary dividend proposed £2.04 per share	-	300,000
	190,000	300,000

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 8 Tangible fixed assets

	Freehold land and buildings	Plant and machinery, computer equipment	Motor vehicles, fixtures and fittings	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 January 2002	656,018	2,901,720	218,673	3,776,411
Additions	-	132,391	1,228	133,619
Disposals	-	(99,860)	(109,437)	(209,297)
<b>At 31 December 2002</b>	<b>656,018</b>	<b>2,934,251</b>	<b>110,464</b>	<b>3,700,733</b>
<b>Depreciation</b>				
At 1 January 2002	215,060	2,053,330	179,765	2,448,155
Charge for the year	10,488	187,308	14,663	212,459
Disposals	-	(96,010)	(102,473)	(198,483)
<b>At 31 December 2002</b>	<b>225,548</b>	<b>2,144,628</b>	<b>91,955</b>	<b>2,462,131</b>
<b>Net book amount</b>				
<b>At 31 December 2002</b>	<b>430,470</b>	<b>789,623</b>	<b>18,509</b>	<b>1,238,602</b>
At 31 December 2001	440,958	848,390	38,908	1,328,256

#### Analysis of land and buildings

	2002	2001
	£	£
<b>Analysis of land and buildings at cost or valuation</b>		
At cost	9,930	9,930
At valuation	646,088	646,088
	<b>656,018</b>	<b>656,018</b>

The company's freehold land and buildings were revalued by an external firm of Chartered Surveyors on an existing use basis in 1979. The historical cost of these assets is shown below. Following the implementation of Financial Reporting Standard No. 15 "Tangible Fixed Assets," the tangible assets previously revalued have been retained at their book amounts as permitted by the transitional provisions of the standard, and the valuation has not been updated.

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 8 Tangible fixed assets (continued)

	£
<b>Historical cost</b>	
At 31 December 2001 and 31 December 2002	478,426
<b>Depreciation based on historical cost</b>	
At 31 December 2001	176,545
Charge for the year	7,976
At 31 December 2002	184,521
<b>Net book amount on historical cost basis</b>	
At 31 December 2002	293,905
At 31 December 2001	301,881

### 9 Stock

	2002	2001
	£	£
Raw materials	110,784	103,728
Work in progress	-	36,029
Finished goods	335,801	289,100
	446,585	428,857

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 10 Debtors

	2002	2001
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	933,823	1,073,067
Amounts owed by ultimate parent undertaking	151,906	375,354
Amounts owed by group undertakings	47,412	10,986
Corporation tax	-	28,793
Prepayments and accrued income	35,067	83,852
	<b>1,168,208</b>	<b>1,572,052</b>
<b>Amounts falling due after more than one year:</b>		
Amounts owed by group undertakings	192,090	98,732

Amounts owed by group undertakings, and the ultimate parent undertaking are unsecured, interest free and have no fixed date of repayment.

### 11 Creditors: amounts falling due within one year

	2002	2001
	£	£
Bank overdraft	-	17,021
Trade creditors	597,704	755,062
Proposed dividend	-	300,000
Corporation tax	109,963	-
Other taxation and social security	132,604	122,535
Accruals and deferred income	441,872	553,935
	<b>1,282,143</b>	<b>1,748,553</b>

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 12 Provisions for liabilities and charges

	Deferred tax £
At 1 January 2002	93,100
Credited to the profit and loss account	(5,084)
At 31 December 2002	88,016

	2002 £	2001 £
Deferred taxation provided in the financial statements comprises:		
Accelerated capital allowances	103,279	93,100
Short term timing differences	(15,263)	-
	88,016	93,100

#### Deferred taxation unprovided in the financial statements comprises:

Accelerated capital allowances	-	12,780
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### 13 Called up equity share capital

	2002 £	2001 £
Authorised, allotted, called up and fully paid		
147,200 ordinary shares of £1 each	147,200	147,200

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 14 Reserves

	Revaluation reserve	Other reserves	Profit and loss account	Total
	£	£	£	£
At 1 January 2002	175,412	364,363	900,269	1,440,044
Retained profit for the financial year	-	-	159,642	159,642
At 31 December 2002	175,412	364,363	1,059,911	1,599,686

### 15 Reconciliation of movements in equity shareholders' funds

	2002	2001
	£	£
Profit/(loss) on ordinary activities after taxation	349,642	(2,396)
Dividends	(190,000)	(300,000)
Net increase/(decrease) in equity shareholders' funds	159,642	(302,396)
Opening equity shareholders' funds	1,587,244	1,889,640
Closing equity shareholders' funds	1,746,886	1,587,244

### 16 Contingent liabilities

The company has entered into an unlimited cross-guarantee arrangement in respect of the borrowings of companies in the Helix Industries Limited group. At 31 December 2002 the net borrowings of the group amounted to approximately £52 million (2001: £62 million).

The bank holds a debenture in respect of the company incorporating a fixed and floating charge over all assets.

# W H Boddington & Co Limited

## Notes to the financial statements for the year ended 31 December 2002 (continued)

### 17 Financial commitments

At 31 December 2002, the company had annual commitments under non-cancellable operating leases relating to vehicles and vending machines as follows:

	2002	2001
	£	£
Expiring within one year	2,195	-
Expiring between two and five years	24,901	27,486

### 18 Pensions

The company's ultimate parent company, Helix Industries Limited, operates a defined benefit pension scheme for the benefit of employees of W H Boddington & Co Limited, called Vector Pension Scheme. The Scheme's assets are held in Trustee administered funds separate from the company's finances.

Contributions to the Vector Pension Scheme were determined following the actuarial valuation of the Scheme as at 30 April 2001 by independent actuaries using the projected unit method. Contributions are based on pension costs across the group of companies participating in the Scheme. At the valuation date the market value of the assets was sufficient, on the basis adopted, to cover 113% of the benefits that had accrued to members in the Scheme. The market value of the Scheme's assets at 30 April 2001 was £35,170,000.

The principal actuarial assumptions adopted for the purposes of SSAP 24 were a rate of return on investments of 6% per annum, salary increases of 4.5% per annum and allowance for pensions to increase in payment at the rate of 2.75% per annum. Assets were taken at market value.

On 1 November 2002 the Vector Engineering Pension Scheme and Vector Industries Limited Pension Scheme were merged into the Vector Pension Scheme. Contribution rates and benefits were not changed for existing members however with effect from 4 November 2002 the Vector Pension Scheme was closed to new entrants. No formal actuarial valuation has been completed for the merged Vector Pension Scheme but at 31 December 2002 the assets of the scheme are estimated to be in excess of £50 million.

During the year 1 January 2002 to 31 December 2002, the company contributed £231,789 (2001: £243,955), being 15.3% of pensionable salaries, to the Scheme.

# **W H Boddington & Co Limited**

## **Notes to the financial statements for the year ended 31 December 2002 (continued)**

### **18. Pensions (continued)**

For the purposes of FRS 17, the contributions paid by the company will be accounted for as a defined contribution scheme, since the share of assets and liabilities of the Scheme relating to the company cannot be separately identified.

Helix Industries Limited has set up The Vector Industries Stakeholder Pension Plan, a defined contribution scheme, which includes provision for the company to contribute 6% of salaries. The company has not made any contributions under this scheme as no new employees were eligible to join in the year.

### **19 Related party disclosures**

During the year the company paid £1,200 for the rental deposit of a property occupied by N Bradbury, a director of the company. This amount is repayable when the property is vacated. This quasi-loan does not attract interest.

During the year D M Boddington, a then director of the company, purchased a BMW 318i, property of W H Boddington & Co Limited. The purchase price was the market value of the car.

Advantage has been taken of the exemption available under Financial Reporting Standard No. 8 "Related Party Disclosures" which exempts the company from the requirement to disclose transactions between the company and other group companies, as these have been eliminated on consolidation in the consolidated financial statements of Helix Industries Limited (see note 20).

### **20 Ultimate parent undertaking and controlling party**

The ultimate parent undertaking and controlling party is Helix Industries Limited, a company registered in England and Wales. The Helix Industries group is both the smallest and the largest group into which the company's accounts are consolidated. Copies of the group accounts for the ultimate parent undertaking may be obtained from the following address:

The Secretary  
Helix Industries Limited  
2B Sidings Court  
Doncaster  
South Yorkshire  
DN4 5NU