

GEORGE COLE TECHNOLOGIES LIMITED

DIRECTORS' REPORT
and
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

Company No. 605214 (England and Wales)



GEORGE COLE TECHNOLOGIES LIMITED

COMPANY INFORMATION

Directors Mrs. J. L. Cole (Chairman)
 J. R. S. Cox
 S. E. Cole
 L. G. Hicks

Secretary S. E. Cole

Company Number 605214 (England and Wales)

Registered Office Grimshaw Lane
 Middleton
 Manchester
 M24 2AA

Auditors Morris Gregory
 Chartered Accountants
 and
 Registered Auditors
 County End Business Centre
 Jackson Street
 Springhead
 Oldham
 OL4 4TZ

Bankers National Westminster Bank Plc
 PO Box 54
 35 Fishergate
 Preston
 PR1 2BY

GEORGE COLE TECHNOLOGIES LIMITED

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**DIRECTORS' REPORT
FOR THE YEAR ENDED OCTOBER 31, 2003**

The directors present their report and abbreviated financial statements for the year ended October 31, 2003.

Principal activity

The company's principal activity continued to be the manufacture of pre-impregnated materials and fishing rods for sale through its wholly owned subsidiary companies, Primco Limited and North Western Blanks Limited, who trade as undisclosed agents of the company.

Review of business

The results for the year are detailed on page four which shows a reduction in turnover. Sales into the Aerospace market have reduced during the year but stabilised by September. During the coming year sales into this market are not expected to grow until the latter quarter. However, sales into the industrial markets are expected to grow. Although trading conditions remain difficult a cost reduction exercise has maintained profitability.

Dividends and transfers to reserves

The directors have declared and paid a dividend of £73,749 (2002 : £66,896). The directors do not recommend payment of a final dividend and the loss has been transferred to reserves.

Directors and their interests

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	<u>At October 31, 2003</u>	<u>At October 31, 2002</u>
	No of shares	No of shares
Mrs. J. L. Cole	74,260	74,260
J. R. S. Cox	59,750	59,750
S. E. Cole	164,550	164,550
L. G. Hicks	164,550	164,550

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 and 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;
- 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. 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.

DIRECTORS' REPORT
FOR THE YEAR ENDED OCTOBER 31, 2003
(continued)

Auditors

The directors appointed Morris Gregory as auditors during the year. The auditors, Morris Gregory will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report was approved by the board on August 25, 2004

Signed on behalf of the board of directors.


J. R. S. COX
Director

**INDEPENDENT AUDITORS' REPORT TO THE
SHAREHOLDERS OF GEORGE COLE TECHNOLOGIES LIMITED
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements which comprise the profit and loss account, the balance sheet, the note of historical cost profits and losses, the cash flow statement, and the related notes together with the financial statements of George Cole Technologies Limited prepared under section 226 of the Companies Act 1985 for the year ended October 31, 2003.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A(3) of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with that section and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under section 247, 247A and 249 of the Companies Act 1985 to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, in respect of the year ended October 31, 2003, and the abbreviated financial statements which comprise the profit and loss account, the balance sheet, the note of historical cost profits and losses, the cash flow statement and the related notes have been properly prepared in accordance with those provisions.



MORRIS GREGORY
CHARTERED ACCOUNTANTS
and
REGISTERED AUDITORS
OLDHAM

August 25, 2004

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED OCTOBER 31, 2003**

	<u>Notes</u>	<u>2003</u>	<u>2002</u>
		£	£
Gross profit		1,090,099	1,312,789
Distribution costs		(57,222)	(99,695)
Administrative expenses		(952,534)	(1,076,341)
		<u>80,343</u>	<u>136,753</u>
Other operating income		1,634	2,234
Operating profit and profit on ordinary activities before interest	2	81,977	138,987
Interest payable	4	(25,406)	(30,872)
Interest receivable		4,988	20,383
Profit on ordinary activities after interest		<u>61,559</u>	<u>128,498</u>
Exceptional item	5	-	212,015
Profit on ordinary activities before taxation		<u>61,559</u>	<u>340,513</u>
Tax on profit on ordinary activities	6	(14,911)	(75,761)
Profit for the year after taxation		<u>46,648</u>	<u>264,752</u>
Dividends	7	(73,749)	(66,896)
(Loss)/profit for the financial year	16	<u>£ (27,101)</u>	<u>£ 197,856</u>

All disclosures relate to continuing activities

There were no recognised gains or losses other than those included in the profit and loss account.

The notes on pages 9 to 18 form part of these financial statements.

NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED OCTOBER 31, 2003

	<u>2003</u>	<u>2002</u>
	£	£
Profit on ordinary activities before taxation	61,559	340,513
Difference between a historical cost depreciation charge and the actual depreciation charge on the revalued amount	5,250	5,250
Historical cost profit on ordinary activities before taxation	<u>£ 66,809</u>	<u>£ 345,763</u>
Historical cost (loss)/profit for the year retained after taxation and dividends	<u>£ (21,851)</u>	<u>£ 203,106</u>

BALANCE SHEET
AT OCTOBER 31, 2003

	<u>Notes</u>		<u>2003</u>		<u>2002</u>
		£	£	£	£
Fixed assets					
Tangible fixed assets	8		1,360,627		1,316,815
Investments	9		9		9
			<u>1,360,636</u>		<u>1,316,824</u>
Current assets					
Stocks	10	522,098		381,767	
Debtors	11	801,894		1,259,030	
Cash at bank and in hand		210		259,593	
		<u>1,324,202</u>		<u>1,900,390</u>	
Creditors: amounts falling due within one year	12	(592,134)		(935,199)	
Net current assets			<u>732,068</u>		<u>965,191</u>
Total assets less current liabilities			<u>2,092,704</u>		<u>2,282,015</u>
Creditors: amounts falling due after more than one year	13		(28,753)		(197,675)
Provisions for liabilities and charges					
Deferred taxation	14		(137,434)		(130,722)
			<u>£ 1,926,517</u>		<u>£ 1,953,618</u>
Capital and reserves					
Called up share capital	15		597,560		597,560
Share premium account	16		46,410		46,410
Capital redemption reserve	16		180		180
Revaluation reserve	16		321,303		326,553
Profit and loss account	16		961,064		982,915
Shareholders' funds	17		<u>£ 1,926,517</u>		<u>£ 1,953,618</u>

These abbreviated financial statements have been prepared in accordance with the special provisions relating to medium-sized companies under Section 246A of the Companies Act 1985.

These abbreviated financial statements were approved by the Board of Directors on August 25, 2004

Signed on behalf of the Board of Directors:

J. R. S. COX
Director

The notes on pages 9 to 18 form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED OCTOBER 31, 2003**

	<u>2003</u>	<u>2002</u>
	£	£
Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	81,977	138,987
Exceptional item	-	212,015
Depreciation charges	93,556	103,793
Loss on sale of fixed assets	2,998	11,021
Decrease/(increase) in stocks	(140,331)	177,731
Decrease/(increase) in debtors	457,136	(278,538)
Decrease in creditors	(167,941)	(325,632)
Net cash inflow from operating activities	<u>327,395</u>	<u>39,377</u>
CASH FLOW STATEMENT		
Net cash inflow from operating activities	<u>327,395</u>	<u>39,377</u>
Returns on investments and servicing of finance		
Interest receivable	4,988	20,383
Interest paid	(19,343)	(25,994)
Interest element of finance lease rentals	(6,063)	(4,878)
Net cash outflow from servicing of finance and returns on investments	<u>(20,418)</u>	<u>(10,489)</u>
Taxation	(70,441)	(19,350)
Capital expenditure		
Payments to acquire tangible fixed assets	(144,266)	(22,420)
Receipts from sale of tangible fixed assets	3,900	13,609
Payment to acquire investment	-	(9)
Net cash outflow from capital expenditure	<u>(140,366)</u>	<u>(8,820)</u>
Dividend paid	(73,749)	(66,896)
Financing		
New hire purchase contracts	16,070	-
New bank loans	-	73,400
Repayment of bank loans	(304,842)	(124,591)
Repayment of hire purchase contracts	(25,018)	(23,677)
Net cash outflow from financing	<u>(313,790)</u>	<u>(74,868)</u>
Decrease in cash in the year	<u>£ (291,369)</u>	<u>£ (141,046)</u>

The notes on pages 9 to 18 form part of these financial statements.

CASH FLOW STATEMENT
FOR THE YEAR ENDED OCTOBER 31, 2003

Reconciliation of net cash flow to movement in net funds

	<u>2003</u>	<u>2002</u>
	£	£
Decrease in cash in the year	(291,369)	(141,046)
Cash flow from increase in debt	-	(73,400)
Cash outflow from decrease in debt	329,860	148,268
Change in debt resulting from cash flows	<u>38,491</u>	<u>(66,178)</u>
New hire purchase contracts	(16,070)	(35,199)
Movement in net debt/funds in the year	<u>22,421</u>	<u>(101,377)</u>
Net debt at November 1, 2002	(109,853)	(8,476)
Net debt at October 31, 2003	<u>£ (87,432)</u>	<u>£ (109,853)</u>

Analysis of changes in net funds

	<u>At November 1, 2002</u>	<u>Cash flows</u>	<u>New hire purchase</u>	<u>At October 31, 2003</u>
	£	£	£	£
Cash at bank and in hand	259,593	(291,369)	-	(31,776)
Debt due within one year	(149,431)	149,431	-	-
Debt due after one year	(155,411)	155,411	-	-
Hire purchase contracts	(64,604)	25,018	(16,070)	(55,656)
Total	<u>£ (109,853)</u>	<u>£ 38,491</u>	<u>£ (16,070)</u>	<u>£ (87,432)</u>

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003**

1. Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold land and buildings	-	2% per annum on cost
Plant and machinery	-	10%-33% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures, fittings, tools and equipment	-	15%-20% reducing balance

1.3 Grants

Grants received consist of government grants which are credited to the profit and loss account to be matched to the expenditure to which they relate.

1.4 Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to represent a constant proportion of the balance of capital repayments outstanding.

1.6 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.7 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

1.8 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.9 Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.10 Foreign exchange

Transactions denominated in foreign currencies are translated into the functional currency at the rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

2. Operating profit

The operating profit is stated after charging:

	<u>2003</u>	<u>2002</u>
	£	£
Depreciation of tangible fixed assets		
- owned by the company	75,146	87,831
- leased assets	18,410	15,962
Loss on sale of fixed assets	2,998	7,421
Auditors' remuneration - audit	6,000	6,500
- non audit	1,042	1,562
Directors' remuneration	113,045	108,793

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

3. Staff costs (including directors)

	<u>2003</u>	<u>2002</u>
	£	£
Wages and salaries	665,202	658,535
Social security costs	65,261	58,180
Pension costs	10,150	16,135
	<u>£ 740,613</u>	<u>£ 732,850</u>

The average number of employees during the year was as follows:

	<u>No</u>	<u>No</u>
Production	23	21
Sales and distribution	2	6
Administration	14	13
	<u>39</u>	<u>40</u>

The number of directors who are members of the defined contribution scheme during the year was 4 (2002 : 4). The contributions made to the scheme for the year were £Nil (2002 : £1,798).

4. Interest payable

	<u>2003</u>	<u>2002</u>
	£	£
Bank loans and overdrafts	19,371	25,994
Finance leases and hire purchase contracts	6,035	4,878
	<u>£ 25,406</u>	<u>£ 30,872</u>

5. Exceptional item

On February 15, 2001 a related company, Shannonvale Plastics Limited incorporated in the Republic of Ireland was dissolved. At that date the company held an investment of £3,600 in the related company and owed its related company £215,615. These amounts have been written off.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

6. Taxation

(a) Analysis of charge in year

	<u>2003</u>	<u>2002</u>
	£	£
Current year taxation		
Corporation tax at 19% (2002 : 30%)	9,450	71,692
Deferred taxation	6,115	4,093
	<u>15,565</u>	<u>75,785</u>
Prior years		
Deferred tax	596	(1,012)
Corporation tax	(1,250)	988
	<u>£ 14,911</u>	<u>£ 75,761</u>

(b) Factors affecting charge for year

The tax assessed for the period is lower than the standard rate of corporation tax for companies in the UK (19% (2002 : 30%)). The differences are explained below:

	<u>2003</u>	<u>2002</u>
	£	£
Profit on ordinary activities before tax	<u>61,559</u>	<u>340,513</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2002 : 30%)	11,696	102,154
Effects of:		
Expenses not deductible for tax purposes	1,637	1,604
Capital allowances for period in excess of depreciation	(3,873)	(1,398)
Marginal rate relief	(10)	(30,668)
Current tax charge for year (see (a) above)	<u>£ 9,450</u>	<u>£ 71,692</u>

7. Dividends

	<u>2003</u>	<u>2002</u>
Dividend - paid 12.342p (2002 : 11.195p) per ordinary share	<u>£ 73,749</u>	<u>£ 66,896</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

8. Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Motor vehicles	Fixtures, fittings, tools and equipment	Total
	£	£	£	£	£
Cost					
At November 1, 2002	911,326	1,590,339	102,959	248,733	2,853,357
Additions	68,501	45,759	-	30,006	144,266
Disposals	-	-	(21,000)	-	(21,000)
At October 31, 2003	979,827	1,636,098	81,959	278,739	2,976,623
Depreciation					
At November 1, 2002	140,830	1,193,418	31,965	170,329	1,536,542
Relating to disposals	-	-	(14,102)	-	(14,102)
Charge for the year	14,883	49,599	17,218	11,856	93,556
At October 31, 2003	155,713	1,243,017	35,081	182,185	1,615,996
Net book values					
At October 31, 2003	£ 824,114	£ 393,081	£ 46,878	£ 96,554	£ 1,360,627
At October 31, 2002	£ 770,496	£ 396,921	£ 70,994	£ 78,404	£ 1,316,815

Included in motor vehicles, plant and machinery and fixtures and fittings are assets on hire purchase agreements with a net book value of £58,008 (2002 : £76,418).

The long leasehold land and building were revalued on an open market basis on May 11, 1993 by external property valuers for £525,000. These assets are included in the accounts at that valuation plus the cost of subsequent additions.

If stated at historical cost long leasehold land and buildings would have a net book value of £488,201 (2002 : £435,708) based on an original cost of £598,920 (2002 : £530,419).

Although the property is described as freehold there is a small part of the site which is subject to a 999 year leasehold.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

9. Investments

	<u>2003</u>	<u>2002</u>
	£	£
Shares in subsidiary companies, at cost	94,625	94,625
Less: amounts written off	(94,625)	(94,625)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Shares in related company, at cost	9	9
	<u>9</u>	<u>9</u>

George Cole Technologies has entered into agency agreements with its wholly owned subsidiaries Primco Limited and North Western Blanks Limited, both of which are incorporated in England and Wales, the effect of which is that both of these companies trade on behalf of George Cole Technologies but do not trade in their own right. The level of turnover through the undisclosed agents is £72,948 (2002 : £92,924) for North Western Blanks Limited and £2,829,632 (2002 : £3,397,002) with respect to Primco Limited.

The share capital and reserves for North Western Blanks Limited at October 31, 2003 is £100 (2002 : £100) and for Primco Limited at October 31, 2003 is £2 (2002 : £2).

Related company

The company owned 9% of the issued ordinary share capital of Shannonvale Plastics Limited, incorporated in the Republic of Ireland. Mrs. J. L. Cole (director) had a controlling shareholding in Shannonvale Plastics Limited (Republic of Ireland). The company was dissolved on February 15, 2001 and the shareholding has accordingly been written off. (See note 6)

On September 7, 2001 Shannonvale Plastics Limited was incorporated in the United Kingdom and the company owns 9% of the issued Ordinary Share Capital. Mrs J. L. Cole (director) has a continuing shareholding in Shannonvale Plastics Limited (UK).

10. Stocks

	<u>2003</u>	<u>2002</u>
	£	£
Raw materials and consumables	327,717	249,045
Finished goods and goods for resale	194,381	132,722
	<u>£ 522,098</u>	<u>£ 381,767</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

11. Debtors

	<u>2003</u>	<u>2002</u>
	£	£
Due within one year		
Trade debtors	603,307	1,028,427
Related company	126,394	157,699
Other debtor	-	4,142
Prepayments and accrued income	72,193	68,762
	<u>£ 801,894</u>	<u>£ 1,259,030</u>

12. Creditors: amounts falling due within one year

	<u>2003</u>	<u>2002</u>
	£	£
Bank loans (secured)	-	149,431
Bank overdraft (secured)	31,986	-
Net obligations under finance leases and hire purchase contracts (secured)	26,903	22,340
Trade creditors	461,375	567,787
Other taxation and social security Taxation and social security	43,831	147,599
Other creditors	4,626	8,534
Accruals	23,413	39,508
	<u>£ 592,134</u>	<u>£ 935,199</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

13. Creditors: amounts falling due after more than one year	<u>2003</u>	<u>2002</u>
	£	£
Bank loans	-	155,411
Obligations under hire purchase agreements	28,753	42,264
	<u>£ 28,753</u>	<u>£ 197,675</u>
	<u> </u>	<u> </u>
Total borrowings comprise:	<u>2003</u>	<u>2002</u>
	£	£
Amounts falling due within one year:		
Bank loan	-	149,431
Obligations under hire purchase agreements	26,903	22,340
	<u>£ 26,903</u>	<u>171,771</u>
	<u> </u>	<u> </u>
Amounts falling due after one year:		
Bank loans:		
- between one and two years	-	75,826
- between two and five years	-	79,585
	<u> </u>	<u>155,411</u>
	<u> </u>	<u> </u>
Obligations under hire purchase agreements:		
- between one and two years	15,075	17,946
- between two and five years	13,678	24,318
	<u>28,753</u>	<u>42,264</u>
	<u> </u>	<u> </u>
	<u>28,753</u>	<u>197,675</u>
	<u> </u>	<u> </u>
Total borrowings	<u>£ 55,656</u>	<u>£ 369,446</u>
	<u> </u>	<u> </u>

The bank loan (repaid during the year) and overdraft facilities are secured by a fixed and floating charge on all the assets of the company.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

14. Deferred taxation

Deferred taxation is provided at 30%

	Provided		Not provided	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	£	£	£	£
Accelerated capital allowances	137,434	130,722	-	-
Rolled over capital gain	-	-	16,826	16,826
	<u>£ 137,434</u>	<u>£ 130,722</u>	<u>£ 16,826</u>	<u>£ 16,826</u>

15. Called up share capital

	<u>2003</u>	<u>2002</u>
Authorised		
Ordinary shares of £1 each	£ 750,000	£ 750,000
Allotted		
Ordinary shares of £1 each fully paid	£ 597,560	£ 597,560

16. Reserves

	<u>Share premium</u>	<u>Capital redemption reserve</u>	<u>Revaluation reserve</u>	<u>Profit and loss account</u>
	£	£	£	£
At November 1, 2002	46,410	180	326,553	982,915
Transfer realisation reserve	-	-	(5,250)	5,250
Loss for the year	-	-	-	(27,101)
At October 31, 2003	<u>£ 46,410</u>	<u>£ 180</u>	<u>£ 321,303</u>	<u>£ 961,064</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2003

17. Reconciliation of movement in shareholders' funds

	<u>2003</u>	<u>2002</u>
	£	£
At November 1, 2002	1,953,618	1,755,762
Profit for the year	46,648	264,752
Dividend	(73,749)	(66,896)
At October 31, 2003	<u>£ 1,926,517</u>	<u>£ 1,953,618</u>

18. Pension Schemes

The company operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £10,156 (2002 : £16,135). There were outstanding contributions payable to the funds at the year end of £1,496 (2002 : £1,496).

19. Transactions with related party

During the year George Cole Technologies Limited entered into the following transactions with Shannonvale Plastics Limited (United Kingdom), a related company described in note 10:-

	£
Debtor at October 31, 2002	157,699
Recharges to related company	178,316
Cash receipts and trading account contra entries	(209,621)
Debtor at October 31, 2003 (see note 11)	<u>£ 126,394</u>