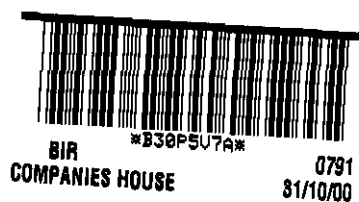


# Status Systems (PVCu) Limited

## Financial Statements and Accounts

699857

for the year ended 31 December 1999



# Status Systems (PVCu) Limited

---

REGISTERED NUMBER: 699857

## **DIRECTORS**

G Morton	
I E Lindsay	(resigned 31 May 2000)
R Shipley	
C De Meerson	(appointed 12 February 1999)
D Demeulemeester	(appointed 12 February 1999)
S Powell	(appointed 20 December 1999)

## **SECRETARY**

I E Lindsay	(resigned 10 September 1999)
Ovalesec Limited	(appointed 10 September 1999)

## **AUDITORS**

Ernst & Young  
100 Barbirolli Square  
Manchester  
M2 3EY

## **BANKERS**

National Westminster Bank plc  
P O Box No 305  
Spring Gardens  
Manchester  
M60 2DB

## **SOLICITORS**

Osborne Clark  
50 Queen Charlotte Street  
Bristol  
BS1 4HE

Hammond Suddards  
2 Park Lane  
Leeds  
LS3 1ES

## **REGISTERED OFFICE**

30 Queen Charlotte Street  
Bristol  
BS99 7QQ

**DIRECTORS' REPORT**

for the year ended 31 December 1999

The directors present their report and audited financial statements for the year ended 31 December 1999.

**PRINCIPAL ACTIVITIES**

The profit and loss account for the year is set out on page 7.

The company's principal activity continues to be the manufacture of plastic extrusions.

**REVIEW OF OPERATIONS**

The major news of 1999 was the sale of the company in February to Deceuninck Plastics Industries a company quoted on the Belgian stock exchange.

From a trading perspective it was another year of significant growth against the backdrop of flat market conditions. This was achieved with a combination of organic growth, driven mainly by our customer support programme and the attainment of new customers.

In spite of the many difficulties faced by the company in 1999, we enter the new millennium with great confidence. With the integration programme into the Deceuninck Group nearing its end, the company is set for continuing success.

**DIVIDENDS**

The directors do not recommend the payment of a dividend in respect of the year ended 31 December 1999 (1998: £nil).

**YEAR 2000**

Prior to 31 December 1999, steps were taken to review computer and date dependent systems critical to the Group's ongoing operations and preparation of financial information to establish the impact, if any, which the Year 2000 might have on the accuracy of calculations, processing and reporting. Although it is not possible to guarantee that no Year 2000 problems remain, the Company believes that its internal systems are Year 2000 compliant.

The Company continues to address the business risk from third parties with whom it deals on business or financial matters, including key customers and suppliers. Contingency plans have been developed to minimise the risk of disruption. No significant disruptions have occurred to date.

Although the millennium date change has passed and no significant problems have been encountered, the directors recognise that there is still a risk of Year 2000 impacting the business but do not expect this to be significant.

**DIRECTORS**

The directors of the company during the year and at 31 December 1999 are set out on page 2.

**DIRECTORS INTERESTS**

No directors held any beneficial interests in the shares of the company at 31 December 1999 at any other time throughout the year.

# Status Systems (PVCu) Limited

---

## DIRECTORS' REPORT

for the year ended 31 December 1999

### AUDITORS

The auditors, PricewaterhouseCoopers resigned during the year and Ernst & Young were appointed in their place. In absence of a notice proposing that the appointment be terminated, Ernst & young will remain in office for the next financial year.

By order of the board



Steven G Powell  
Director

Date: 30 October 2000

## Status Systems (PVCu) Limited

---

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 year. In preparing those accounts, 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 accounts; 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 accounts 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.

## REPORT OF THE AUDITORS

to the members of Status Systems (PVCu) Limited

We have audited the accounts on pages 7 to 17, which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and on the basis of the accounting policies set out on pages 9 and 10.

### Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

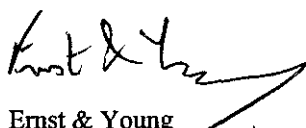
### Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

### Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young  
Registered Auditor  
Manchester

Date: 30 October 2000

# Status Systems (PVCu) Limited

## PROFIT AND LOSS

for the year ended 31 December 1999

	Notes	1999 £000	1998 £000
<b>TURNOVER</b>	2	19,050	15,960
Change in stocks of finished goods and work in progress		184	47
Purchase of raw materials, consumables and finished goods		(11,096)	(8,868)
Trade loan written off		74	87
Other external charges		(256)	(227)
Staff costs	3	(3,017)	(3,057)
Depreciation		(738)	(565)
Other operating charges		(3,418)	(2,711)
Accounting adjustment	6	(290)	-
		<u>(18,557)</u>	<u>(15,294)</u>
<b>OPERATING PROFIT</b>	5	493	666
Interest payable and similar charges	7	(197)	(194)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>296</u>	<u>472</u>
Taxation on ordinary activities	8	25	(66)
Profit for the financial year	19	<u>321</u>	<u>406</u>

## STATEMENT OF RECOGNISED GAINS AND LOSSES

	1999 £000	1998 £000
Profit for the financial year	321	472
Unrealised deficit on revaluation of freehold land and buildings	(140)	-
	<u>181</u>	<u>472</u>

## NOTE OF HISTORICAL COSTS, PROFITS AND LOSSES

	1999 £000	1998 £000
Reported profit on ordinary activities before taxation	296	472
Difference between historical costs depreciation charge and actual depreciation charge for the year calculated on the revalued amount	6	6
Historical cost profit on ordinary activities before taxation	<u>302</u>	<u>478</u>
Retained historical cost loss for the year	<u>302</u>	<u>412</u>

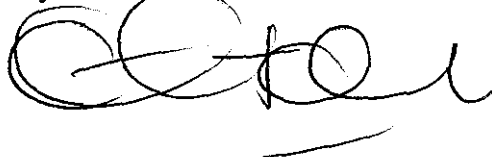
# Status Systems (PVCu) Limited

## BALANCE SHEET at 31 December 1999

	Notes	1999 £000	1998 £000
<b>FIXED ASSETS</b>			
Tangible assets	9	3,121	3,427
<b>CURRENT ASSETS</b>			
Stocks	10	1,549	1,305
Debtors	11	3,299	4,718
Cash at bank and in hand		531	-
		5,379	6,023
<b>CREDITORS: amounts falling due within one year</b>	12	(5,234)	(7,552)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		145	(1,529)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,266	1,898
<b>CREDITORS: amounts falling due after more than one year</b>	13	(1,447)	(180)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	16	(76)	(156)
<b>NET ASSETS</b>		1,743	1,562
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	20	20
Revaluation reserve	18	108	254
Profit and loss account	18	1,615	1,288
Equity shareholders' funds	19	1,743	1,562

The financial statements were approved by the board of directors on 30 October 2000 by:

Gary Morton - Director





# Status Systems (PVCu) Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

### 1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

#### *Cashflow*

The company has taken advantage of the exemption contained within FRS 1 (Revised) not prepare a cash flow statement on the grounds that its ultimate parent undertaking produces consolidated financial statements which are publicly available which include the cash flows of the group.

#### *Tangible fixed assets*

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

Depreciation is calculated so as to write off the cost or valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned, based upon the original cost of the assets to the company owning those assets. The principal annual rates for this purpose are:

	%
Freehold land	Nil
Freehold buildings	5
Plant, machinery and fixtures	10-20
Computer equipment	33 $\frac{1}{3}$

Plant and machinery additions are depreciated from the year in which commercial levels of production are achieved.

During the year the directors reviewed the useful economic life of all fixed assets and adjusted rates of depreciation from those below to those shown above.

	%
Freehold buildings	2
Plant, machinery and fixtures	12.5
Computer equipment	20

#### *Government grants*

Grants that relate to specific capital expenditure are treated as deferred income which is then credited to the profit and loss account over the related asset's useful life.

#### *Finance and operating leases*

Costs in respect of operating leases are charged on straight line basis over the lease term. Where fixed assets are financed by leasing agreements, which transfer to the company substantially all the benefits and risks of ownership, the assets are treated as if they had been purchased outright and are included in tangible fixed assets. The capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

1. **PRINCIPAL ACCOUNTING POLICIES** (continued)

*Stocks and work in progress*

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on latest purchase price basis and includes transport and handling costs. In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity. Where necessary, provision is made for obsolete, slow moving and defective stocks.

2. **TURNOVER**

Turnover represents the invoiced price (excluding VAT) less trade discounts allowed to customers during the year.

*Deferred taxation*

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

3. **STAFF COSTS**

The average monthly number of persons employed by the group, including executive directors, during the year is analysed below:

	1999 Number	1998 Number
Directors	3	3
Administrative and drawing office staff	35	33
Maintenance staff	15	12
Production, delivery and others	75	73
	<u>128</u>	<u>121</u>
	1999 £000	1998 £000
Staff costs (for the above persons)		
Wages and salaries	2,706	2,798
Social security costs	263	246
Other pension costs	48	13
	<u>3,017</u>	<u>3,057</u>

# Status Systems (PVCu) Limited

## NOTES TO THE ACCOUNTS for the year ended 31 December 1999

### 4. DIRECTORS' EMOLUMENTS

The remuneration paid to the directors of the company for management services, was as follows:

	1999 £000	1998 £000
Salaries (including benefits in kind)	992	849
Company pension contributions to a money purchase scheme	39	5
	<u>1,031</u>	<u>854</u>

Highest paid director

	1999 £000	1998 £000
Aggregate emoluments	422	207
Company pension contributions to a money purchase scheme	31	-
	<u>453</u>	<u>207</u>

The number of directors to whom benefits are accruing under money purchase pension schemes was as follows:

	1999 No.	1998 No.
Directors	<u>3</u>	<u>3</u>

The contributions are paid to the Directors' own money purchase arrangements.

### 5. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	Notes	1999 £000	1998 £000
Depreciation charge for the year:			
Tangible owned fixed assets	9	738	565
Amortisation of government grant		(24)(24)	
Auditors' remuneration for audit		24	20
Profit on disposal of fixed assets		(43)(30)	
Management charge from parent undertaking		-	290
Hire of assets - operating leases			
Plant and machinery		51	51
Other		453	347
Discolouration claims provision		24	41
Accounting adjustment	6	290	-
		<u></u>	<u></u>

# Status Systems (PVCu) Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

### 6. ACCOUNTING ADJUSTMENTS

During the year the directors revised the useful economic life of all fixed assets and adjusted rates of depreciation to reflect useful lives the directors believe are more realistic than those previously used (note 1).

The directors are of the opinion that this revision of useful economic lives would materially affect the future results of the company and have made an additional depreciation charge of £290,000 in respect of plant and machinery.

The additional charge has been made in the current year profit and loss account in accordance with SSAP 12 (Revised) "Accounting for depreciation" and FRS 3 "Reporting Financial performance".

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

	1999 £000	1998 £000
On bank overdraft and other loans repayable within five years, not by instalments	57	181
On finance leases and hire purchase contracts	45	13
On loan from parent undertaking	1	-
On loans from other group companies	94	-
	<u>197</u>	<u>194</u>

### 8. TAX PROFIT ON ORDINARY ACTIVITIES

	1999 £000	1998 £000
Tax on profit on ordinary activities		
United kingdom corporation tax at 31% (1998: 31%)		
- current	55	-
- deferred	(63)	80
Under/(over) provision in respect of prior years		
- current	(17)	(14)
	<u>(25)</u>	<u>66</u>

The tax charge for the year has been reduced by losses surrendered free of charge by Range Valley Extrusions Limited.

# Status Systems (PVCu) Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

### 9. TANGIBLE FIXED ASSETS

	<i>Freehold land and buildings £000</i>	<i>Computer and office equipment £000</i>	<i>Plant, machinery and fixtures £000</i>	<i>Total £000</i>
<b>Cost or valuation</b>				
At 1 January 1999	725	231	6,223	7,179
Additions	29	77	763	869
Disposals	-	(1)	(430)	(431)
Revaluation	(310)	-	-	(310)
At 31 December 1999	444	307	6,556	7,307
<b>Depreciation</b>				
At 1 January 1999	154	166	3,432	3,752
Charge for year	16	48	674	738
Revaluation	(170)	-	-	140
Disposals	-	-	(242)	(424)
Accounting adjustment (note 6)	-	-	290	290
At 31 December 1999	-	214	3,972	4,186
<b>Net book value</b>				
At 31 December 1999	444	93	2,584	3,121
At 31 December 1998	571	65	2,791	3,427

On 31 December 1999 the freehold property was valued based on an open market basis by, Ryder & Dutton. The revaluation resulted in a deficit of £140,000 which has been charged to the revaluation reserve. The cost and net book value of the freehold land and buildings on an historical cost basis are approximately £323,000 and £202,000 respectively.

Included within fixed assets at 31 December 1999 are assets acquired under hire purchase agreements and finance leases with a net book value of £nil (1998: £48,000). The depreciation charge in the year on these assets was £nil (1998: £nil).

### 10. STOCKS

	<i>1999 £000</i>	<i>1998 £000</i>
Raw materials and consumables	413	353
Finished goods	1,136	952
	1,549	1,305

# Status Systems (PVCu) Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

### 11. DEBTORS

	1999 £000	1998 £000
<b>Amounts falling due within one year</b>		
Trade debtors	2,311	1,554
Prepayments and other debtors	283	196
Loan to immediate parent undertaking	500	2,968
Amounts owed from parent undertakings	113	-
Amounts owed from fellow subsidiaries	92	-
	<u>3,299</u>	<u>4,718</u>

The loan to the immediate parent undertaking, Range Valley Extrusions Limited, is unsecured, interest free and has no specific repayment terms.

### 12. CREDITORS: amounts falling due within one year

	Notes	1999 £000	1998 £000
Bank overdraft		-	2,266
Trade creditors		3,529	3,270
Corporation tax payable		55	-
Other taxation and social security		214	423
Obligations under hire purchase contracts and finance leases	15	-	56
Accruals and deferred income		664	1,537
Amounts owed to fellow subsidiaries		190	-
Amounts owed to parent undertakings		582	-
		<u>5,234</u>	<u>7,552</u>

### 13. CREDITORS: amounts falling due after more than one year

	Notes	1999 £000	1998 £000
Accruals and deferred income		261	180
Loan from fellow subsidiary undertaking	14	1,186	-
		<u>1,447</u>	<u>180</u>

# Status Systems (PVCu) Limited

## NOTES TO THE ACCOUNTS for the year ended 31 December 1999

### 14. LOANS

	1999 £000	1998 £000
Bank loans:		
Within 2 - 5 years	-	1,300
Group loans:		
Within 1 - 2 years	1,187	-
	<u>1,187</u>	<u>1,300</u>

The group loan of £1,187,000 is from Deceuninck Ireland Limited, a company incorporated in Eire. The loan is repayable in full on 11 February 2002 and is subject to interest at a rate of 7.5% per annum. The loan is unsecured.

### 15. FINANCE LEASES

The net finance lease obligations to which the company is committed are:

	1999 £000	1998 £000
In one year or less	-	56

### 16. PROVISIONS FOR LIABILITIES AND CHARGES

	<i>Deferred taxation £000</i>
At 1 January 1999	156
Charge/(release) for the year	(63)
Prior year charge/(release)	(17)
At 31 December 1999	<u>76</u>

Deferred taxation provided in the financial statements and the total potential liability are as follows:

	<i>Amount provided</i>		<i>Amount unprovided</i>	
	1999 £000	1998 £000	1999 £000	1998 £000
Tax effect of timing differences because of:				
Excess of capital allowances over depreciation	78	156	-	-
Revaluation of properties	-	-	-	31
Other timing differences	(2)	-	-	-
	<u>76</u>	<u>156</u>	<u>-</u>	<u>31</u>

# Status Systems (PVCu) Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

### 17. CALLED UP SHARE CAPITAL

	<i>Authorised, allotted and fully paid 1999 and 1998 £'000</i>
20,000 ordinary shares of £1 each	20

### 18. RESERVES

	<i>Revaluation reserve £'000</i>	<i>Profit and loss account £'000</i>
At 1 January 1999	254	1,288
Transfer from revaluation reserve to profit and loss account	(6)	6
Deficit on revaluation of freehold land and buildings	(140)	-
Profit for the year	-	321
At 31 December 1999	108	1,615

### 19. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	<i>1999 £'000</i>	<i>1998 £'000</i>
Profit for the year	321	406
Deficit on revaluation of freehold land and buildings	(140)	-
Opening equity shareholder's funds	1,562	1,156
Closing equity shareholders' funds	1,743	1,562

### 20. CAPITAL COMMITMENTS

Capital commitments contracted for not provided for amount to £113,600 (1998: £nil).



NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

21. FINANCIAL COMMITMENTS

At 31 December 1999 the company had annual commitments under non-cancellable operating leases as follows:

	<i>Land and buildings</i>		<i>Other</i>	
	<i>1999</i>	<i>1998</i>	<i>1999</i>	<i>1998</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Expiring within one year	-	77	354	25
Expiring between two and five years inclusive	-	-	716	327
Expiring after 5 years	-	-	24	-
	-	77	1,094	352

22. CONTINGENT LIABILITIES

The company is subject to a claim from a former customer, against which the company has lodged a counter claim.

The directors are of the opinion that the company's maximum potential liability is £50,000, however they are also of the opinion that the claim will be unsuccessful.

23. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in the FRS No 8 "Related Party Transactions" not to disclose transactions with group company's on the grounds that the ultimate parent undertaking prepares consolidated accounts which are publicly available.

During the year the company sold materials to Godiva Windows Limited a fellow subsidiary, amounting to £23,367. At the balance sheet date Godiva Windows Limited owed the company £14,321.

24. POSTBALANCE SHEET EVENT

On 4 January 2000 the company sold its freehold land and buildings to its immediate parent undertaking, Range Valley Extrusions Limited, at market value of £445,000. The property was subsequently leased back to the company for nine years at an annual rental of £75,000 which the directors believe to be a market rent.

25. PARENT UNDERTAKING

The company's immediate parent undertaking is Range Valley Extrusions Limited, a company incorporated in England and Wales.

On 12 February the company became a wholly owned subsidiary of a new client ultimate parent undertaking, Deceuninck Plastic Industries N.V, a company incorporated in Belgium.

26. ULTIMATE CONTROLLING PARTY

In the opinion of the directors the ultimate controlling party is Deceuninck Plastic Industries N.V, a company incorporated in Belgium.