

**NYCHEM INTERNATIONAL  
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2002



Company no 01182526

NYCHEM INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2002

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Company registration number: 01182526

Registered office: Grant Thornton  
Melton Street  
Euston Square  
London  
NW1 2EP

Directors: K T Dunn

Secretary: A J McEvoy

Bankers: Bank of Scotland

Solicitors: Levy & McRae

Auditors: Grant Thornton  
Registered auditors  
Chartered accountants

# NYCHEM INTERNATIONAL LIMITED

## FINANCIAL STATEMENTS

For the year ended 31 March 2002

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INDEX	PAGE
Report of the directors	1 - 2
Report of the independent auditors	3 - 4
Principal accounting policies	5 - 6
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Statement of total recognised gains and losses	10
Notes to the financial statements	11 - 19

# NYCHEM INTERNATIONAL LIMITED

## REPORT OF THE DIRECTORS

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The director presents his report together with the financial statements for the year ended 31 March 2002.

### Principal activities

The company is principally engaged in the blending and storage of plastics.

The ultimate parent undertaking of the company is Bandeath Plastics Limited, which is incorporated in England.

### Business review

There was a loss for the year after taxation amounting to £559,058 (2001: loss £71,490). The directors do not recommend payment of dividends.

### Directors

The present membership of the Board is set out below. Mr F Eltnik resigned as a director on 4 February 2002.

The interests of the director in the shares of the company and its parent as at 31 March 2002 and 1 April 2001, were as follows:

		Ordinary shares	
		31 March 2002	1 April 2001
K T Dunn	Bandeath Plastics Limited	7,500	7,500
K T Dunn	Nychem International Limited	-	-

### Fixed assets

The leasehold property was sold in January 2004 for £800,000, the reduction in value of the property of £340,000 has been included as a permanent diminution in value in these accounts.

### Directors' responsibilities for the financial statements

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 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
- 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**NYCHEM INTERNATIONAL LIMITED**

**REPORT OF THE DIRECTORS**

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**Auditors**

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'A J McEvoy', with a stylized flourish at the end.

A J McEvoy  
Secretary

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
NYCHEM INTERNATIONAL LIMITED**

We have audited the financial statements of Nychem International Limited for the year ended 31 March 2002 which comprise the profit and loss account, balance sheet, cashflow statement, principle accounting policies and notes 1 to 23. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the director and independent auditor**

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with 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*.

*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 with the company is not disclosed.*

We read other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom 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.

**Going concern**

*In forming our opinion, we have considered the adequacy of the disclosures made in the basis of preparation note contained in the accounting policies on page 4 of the financial statements concerning the availability of finance to fund the company's cashflow requirements. In view of the significance of this major uncertainty we consider it should be drawn to your attention but our opinion is not qualified in this respect.*

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
NYCHEM INTERNATIONAL LIMITED**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Grant Thornton*

**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

*5 March 2004*

# **NYCHEM INTERNATIONAL LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **BASIS OF PREPARATION**

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

The company incurred losses in each of the two years to 31 March 2000. This resulted from poor trading in the Dutch Branch which was opened in 1997. In view of these losses the company closed the production plant in Holland during December 2000. The company made a profit before exceptional items in the year to 31 March 2001 but incurred further losses in late 2001 and continued to incur losses into 2002 and the latter part of 2003 due to changes at the company's major supplier and customer. The company has found alternative customers and, based on projected financial forecasts for the 12 months from the date of signing the balance sheet, the director considers that the company will return to profitability during 2004.

However, the losses have put pressure on the company's cash flow. The company is dependant on the support of its bankers and creditors. The bankers have advised that they are no longer prepared to continue with the company's present finance facilities and have withdrawn the facilities. The company has reached a very short term agreement with its major creditors to extend normal credit terms. The company will be unable to continue to trade beyond the short term if they are unable to arrange new facilities. The director considers that the company can trade profitably in the coming year providing finance facilities are arranged and is seeking alternative finance facilities to enable it to meet its liabilities as they fall due. The director believes he will arrange suitable finance facilities and has accordingly prepared the accounts on a going concern basis.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

### **TURNOVER**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Leasehold property	2%
Plant and equipment	15-20%
Motor vehicles	25%
Fixtures, fittings and office equipment	20%
Leasehold improvements	15%



# **NYCHEM INTERNATIONAL LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **STOCKS**

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

In the case of raw materials, cost means purchase price including transport and handling costs, less trade discounts, calculated on a first in first out basis. In the case of work in progress and finished goods, cost consists of direct materials, direct labour and attributable production overheads.

Net realisable value means estimated selling price (less trade discounts) less all further costs to completion and all costs to be incurred in marketing, selling and distribution.

### **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 have occurred at that date that will result in an obligation to pay more, or a right to pay less, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### **FOREIGN CURRENCIES**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. The financial statements of foreign branches are translated at the rate of exchange ruling at the balance sheet date. The exchange differences arising from the retranslation of the opening net investment in branches are taken directly to reserves. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

### **CONTRIBUTIONS TO PENSION FUNDS**

#### **Defined contribution scheme**

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

### **LEASED ASSETS**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

# NYCHEM INTERNATIONAL LIMITED

## PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2002

	Note	2002 £	2001 £
<b>Turnover</b>	1	<b>2,857,978</b>	4,096,247
Cost of sales		<b>(2,089,773)</b>	(3,010,123)
Gross profit		<b>768,205</b>	1,086,124
Distribution costs		<b>(183,116)</b>	(246,944)
Administrative expenses		<b>(716,601)</b>	(774,625)
Other operating income		-	83,610
<b>Operating (loss)/profit</b>		<b>(131,512)</b>	148,165
Exceptional items	2	<b>(355,373)</b>	(110,197)
Interest payable and similar charges	3	<b>(73,292)</b>	(84,080)
<b>Loss on ordinary activities before taxation</b>	1	<b>(560,177)</b>	(46,112)
Tax on loss on ordinary activities		<b>1,119</b>	(25,378)
<b>Loss transferred from reserves</b>	12	<b>(559,058)</b>	(71,490)

The accompanying accounting policies and notes form an integral part of these financial statements.

# NYCHEM INTERNATIONAL LIMITED

## BALANCE SHEET AT 31 MARCH 2002

	Note	2002 £	2002 £	2001 £	2001 £
<b>Fixed assets</b>					
Tangible assets	6		1,218,817		1,791,115
<b>Current assets</b>					
Stocks	7	190,776		96,697	
Debtors	8	484,114		530,003	
Cash at bank and in hand		-		24,118	
		674,890		650,818	
<b>Creditors: amounts falling due within one year</b>	9	(1,322,588)		(1,148,040)	
<b>Net current liabilities</b>			(647,698)		(497,222)
<b>Total assets less current liabilities</b>			571,119		1,293,893
<b>Creditors: amounts falling due after more than one year</b>	10		(322,689)		(486,405)
			248,430		807,488
<b>Capital and reserves</b>					
Called up share capital	11		10,000		10,000
Foreign exchange reserve	12		30,273		30,273
Profit and loss account	12		208,157		767,215
<b>Shareholders' funds</b>	13		248,430		807,488

The financial statements were approved by the Board of Directors on 5 March 2004.

Director

# NYCHEM INTERNATIONAL LIMITED

## CASH FLOW STATEMENT

For the year ended 31 March 2002

	Note	2002 £	2001 £
<b>Net cash inflow from operating activities</b>	14	<b>124,077</b>	688,192
<b>Returns on investments and servicing of finance</b>			
Interest paid		(58,132)	(71,682)
Finance lease interest paid		(15,596)	(8,057)
<b>Net cash outflow from returns on investments and servicing of finance</b>		<b>(73,728)</b>	(79,739)
<b>Taxation</b>		<b>(11,488)</b>	-
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(59,626)	(244,373)
Sale of tangible fixed assets		47,145	68,965
<b>Capital expenditure</b>		<b>(12,481)</b>	(175,408)
<b>Financing</b>			
Repayment of borrowings		(106,349)	(98,723)
Capital element of finance lease rentals		(42,441)	(65,227)
<b>Net cash outflow from financing</b>		<b>(148,790)</b>	(163,950)
<b>(Decrease)/increase in cash</b>	15	<b>(122,410)</b>	269,095

The accompanying accounting policies and notes form an integral part of these financial statements.

**NYCHEM INTERNATIONAL LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

For the year ended 31 March 2002

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**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
<b>Loss for the financial year</b>	<b>(559,058)</b>	<b>(71,490)</b>
<b>Exchange (loss) / gain</b>	<b>-</b>	<b>(10,482)</b>
<b>Total recognised gains and losses for the year</b>	<b><u>(559,058)</u></b>	<b><u>(81,972)</u></b>

The accompanying accounting policies and notes form an integral part of these financial statements.

# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

### 1 TURNOVER AND (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

An analysis of turnover by geographical market is given below:

	2002 £	2001 £
UK	1,689,517	2,741,832
Export	1,168,461	791,550
Dutch branch sales	-	562,865
	<u>2,857,978</u>	<u>4,096,247</u>

The loss on ordinary activities is stated after:

	2002 £	2001 £
Auditors' remuneration	13,105	14,281
Depreciation:		
Tangible fixed assets, owned	211,935	239,776
Tangible fixed assets, held under finance leases and hire purchase contracts	32,844	32,843
Tangible fixed assets - permanent diminution (note 2)	340,000	-
Hire of plant and machinery	32,478	28,809
Other operating lease rentals	35,388	25,301
Loss/(gain) on disposal of fixed asset	-	681
Currency exchange loss / (gain)	<u>(9,665)</u>	<u>3,863</u>
Other operating income includes:		
Insurance receipts	<u>-</u>	<u>83,610</u>

### 2 EXCEPTIONAL ITEMS

As detailed in note 6 to the accounts a provision of £340,000 has been included in exceptional items in the year (2001: £nil) in respect of a permanent diminution in the value of the leasehold property.

During the year the company has made a provision of £15,373 (2001: £110,197) against a loan made by the company and the associated taxation recoverable as the director considers that the loan is potentially irrecoverable.

### 3 INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
On bank loans and overdrafts	52,761	75,860
Finance charges in respect of finance leases	16,317	8,220
Other interest payable and similar charges	<u>4,214</u>	<u>-</u>
	<u>73,292</u>	<u>84,080</u>

# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

### 4 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2002 £	2001 £
Wages and salaries	662,873	724,637
Social security costs	57,293	80,287
Other pension costs	28,388	17,644
	<u>748,554</u>	<u>822,568</u>

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

	2002 Number	2001 Number
Production	25	35
Administration & management	9	10
	<u>34</u>	<u>45</u>

Remuneration in respect of directors was as follows:

	2002 £	2001 £
Emoluments	<u>66,451</u>	<u>66,908</u>

### 5 TAX ON LOSS ON ORDINARY ACTIVITIES

	2002 £	2001 £
UK corporation tax at 20% (2001: 20%)	1,204	20,015
Adjustments in respect of prior periods	(2,323)	5,363
Total current tax charge	<u>(1,119)</u>	<u>25,378</u>

The tax assessed for the period is higher than the standard rate of corporation tax in the UK 20% (2001: 20%). The differences are explained as follows:

	2002 £	2001 £
Profit on ordinary activities before tax	<u>(560,177)</u>	<u>(46,112)</u>

# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2001: 20%)	(112,035)	(9,222)
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Effect of:

Expenses not deductible for tax purposes	36,077	57,799
Depreciation in excess of capital allowances	77,008	(19,526)
S419 tax payable on directors loans	154	492
Utilisation of tax losses		(9,528)
Adjustments in respect of prior periods	(2,323)	5,363
	<u>(1,119)</u>	<u>25,378</u>

### 6 TANGIBLE FIXED ASSETS

	Short leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Leasehold improvements £	Total £
Cost						
At 1 April 2001	2,195,577	2,745,957	109,295	53,092	82,354	5,186,275
Additions	36,234	23,392	-	-	-	59,626
	<u>2,231,811</u>	<u>2,769,349</u>	<u>109,295</u>	<u>53,092</u>	<u>82,354</u>	<u>5,245,901</u>
Disposals	-	(139,471)	(2,786)	(53,092)	(82,354)	(277,703)
At 31 March 2002	<u>2,231,811</u>	<u>2,629,878</u>	<u>106,509</u>	<u>-</u>	<u>-</u>	<u>4,968,198</u>
Depreciation						
At 1 April 2001	970,308	2,281,852	45,838	48,168	48,994	3,395,160
Provided in the year	44,526	153,450	27,319	4,924	14,560	244,779
Permanent diminution	340,000	-	-	-	-	340,000
	<u>1,354,834</u>	<u>2,435,302</u>	<u>73,157</u>	<u>53,092</u>	<u>63,554</u>	<u>3,979,939</u>
Eliminated on disposals	-	(112,523)	(1,389)	(53,092)	(63,554)	(230,558)
At 31 March 2002	<u>1,354,834</u>	<u>2,322,779</u>	<u>71,768</u>	<u>-</u>	<u>-</u>	<u>3,749,381</u>
Net book amount at 31 March 2002	<u>876,977</u>	<u>307,099</u>	<u>34,741</u>	<u>-</u>	<u>-</u>	<u>1,218,817</u>
Net book amount at 31 March 2001	<u>1,225,269</u>	<u>464,105</u>	<u>63,457</u>	<u>4,924</u>	<u>33,360</u>	<u>1,791,115</u>

The leasehold property was sold in January 2004 for a consideration of £800,000. A provision of £340,000 has been included in this year's financial statements to reflect the permanent diminution in the value of the leasehold property.



# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

The figures stated above include assets held under finance leases and similar hire purchase contracts, as follows:

	Plant and equipment £	Motor vehicles £
Net book amount at 31 March 2002	<u>219,921</u>	<u>33,156</u>
Net book amount at 31 March 2001	<u>233,416</u>	<u>52,405</u>
Depreciation provided during year	<u>13,495</u>	<u>19,349</u>

### 7 STOCKS

	2002 £	2001 £
Raw materials and consumable stores	57,550	79,395
Short-term work in progress	<u>133,226</u>	<u>17,302</u>
	<u>190,776</u>	<u>96,697</u>

### 8 DEBTORS

	2002 £	2001 £
Trade debtors	466,797	445,161
Other debtors	10,758	35,978
Prepayments and accrued income	<u>6,559</u>	<u>48,864</u>
	<u>484,114</u>	<u>530,003</u>

# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

### 9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Bank loans and overdrafts	498,733	401,967
Trade creditors	458,655	520,417
Corporation tax	41,116	53,723
Social security and other taxes	169,240	34,998
Other creditors	-	12,000
Accruals and deferred income	83,258	69,801
Amounts due under finance leases	71,586	55,134
	<u>1,322,588</u>	<u>1,148,040</u>

The bank loans and overdraft are secured by a legal charge and standard security over the company's properties at Reddoch Road, Grangemouth and by a debenture over all of the company's assets.

The amounts due under finance leases are secured by the underlying assets.

### 10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002 £	2001 £
Bank loans	228,336	333,159
Amounts due under finance leases	94,353	153,246
	<u>322,689</u>	<u>486,405</u>

Borrowings are repayable as follows:

	2002 £	2001 £
Within one year		
Bank and other borrowings	498,733	401,967
Finance leases	71,586	55,134
After one and within two years		
Bank and other borrowings	136,955	138,480
Finance leases	40,830	71,587
After two and within five years		
Bank and other borrowings	91,381	194,679
Finance leases	53,523	81,659
After five years		
	<u>893,008</u>	<u>943,506</u>

# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

### 11 SHARE CAPITAL

	2002 £	2001 £
Authorised 10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid 10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

### 12 RESERVES

	Foreign Exchange Reserve £	Profit and loss account £
At 1 April 2001	30,273	767,215
Retained loss for the year	-	(559,058)
At 31 March 2002	<u>30,273</u>	<u>208,157</u>

### 13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002 £	2001 £
Loss for the financial year	(559,058)	(71,490)
Exchange gain / (loss)	-	(10,482)
Net decrease in shareholders' funds	<u>(559,058)</u>	<u>(81,972)</u>
Shareholders' funds at 1 April 2001	807,488	889,460
Shareholders' funds at 31 March 2002	<u>248,430</u>	<u>807,488</u>

# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

### 14 NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002 £	2001 £
Operating (loss)/profit	(131,512)	148,165
Depreciation	244,779	272,619
Loss on sale of tangible fixed assets	-	681
Increase in stocks	(94,079)	(12,655)
Decrease/decrease in debtors	45,889	256,957
Increase in creditors	74,373	132,622
Net cash inflow from operating activities	139,450	798,389
Less: movement in debtors due to exceptional provision made against loans receivable	(15,373)	(110,197)
Net cash inflow from operating activities	124,077	688,192

### 15 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2002 £	2001 £
(Decrease)/increase in cash in the year	(122,410)	269,095
Cash outflow/(inflow) from financing in the year	106,349	98,723
Cash outflow from finance leases in the year	42,441	65,227
Change in net debt resulting from cashflows	26,380	433,045
Inception of finance leases	-	(207,388)
Movement in net debt in the year	26,380	225,657
Net debt at 1 April 2001	(919,388)	(1,145,045)
Net debt at 31 March 2002	(893,008)	(919,388)

### 16 ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2001 £	Cash flow £	At 31 March 2002 £
Cash in hand and at bank	24,118	(24,118)	-
Overdraft	(263,485)	(98,292)	(361,777)
Debt	(471,641)	106,349	(365,292)
Finance leases	(208,380)	42,441	(165,939)
	(919,388)	26,380	(893,008)

# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

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### 17 MAJOR NON-CASH TRANSACTIONS

During the year the company entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of £Nil (2001 £264,212).

### 18 CAPITAL COMMITMENTS

The company had no capital commitments at 31 March 2002 or 31 March 2001.

### 19 LEASING COMMITMENTS

Operating lease payments amounting to £31,965 (2001: £31,965) are due within one year. The leases to which these amounts relate expire as follows:

	2002		2001	
	Land and buildings £	Other £	Land and buildings £	Other £
Between one and five years	-	12,715	-	12,715
In five years or more	19,250	-	19,250	-
	<u>19,250</u>	<u>12,715</u>	<u>19,250</u>	<u>12,715</u>

### 20 CONTINGENT LIABILITIES

The company has granted transaction related guarantees in favour of H M Customs & Excise of £20,000 up to a maximum of £40,000.

The company has also granted a performance bond on account for a customer for £800.

### 21 PENSIONS

#### Defined Contribution Scheme

The company operates a defined contribution money purchase pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The pension cost charge for the year was £28,388 (2001 £17,644).

# NYCHEM INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2002

### 22 TRANSACTIONS WITH DIRECTORS

Amounts due in respect of loans to directors were as follows:

Name of director and connected person	Amount outstanding		Maximum liability	Interest due
	2002	2001	during year	not paid
	£	£	£	£
K Dunn	100,054	84,507	100,054	0

The company has made a provision against the full amount owed by K Dunn of £100,054 and a further provision of £25,412 against the associated amount included in debtors for taxation recoverable in respect of this loan.

### 23 ULTIMATE PARENT UNDERTAKING & CONTROLLING RELATED PARTY

The directors consider that the ultimate parent undertaking and controlling related party of this company is its parent company Bandeath Plastics Limited. Mr K Dunn owns 100% of Bandeath Plastics Limited and ultimately controls the company.