

# Flexdart Limited

## Directors' report and financial statements

For the year ended 31 December 1995

Registered number 2052152



# Flexdart Limited

## Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1-2
Auditors' report	3
Consolidated profit and loss account	4
Balance sheets	5-6
Cash flow statement	7
Notes	8-23

# Flexdart Limited

## Directors' report

The directors present their report and the financial statements for the year ended 31 December 1995.

### Review of the business

The principal activities of the group are the recycling and trading of ferrous and non-ferrous metals, primary and secondary steel products and the refining of drosses and residues.

### Results and dividends

The results of the group for the year are shown on page 4, together with transfers to and from reserves.

A dividend of £Nil was paid during the year (1994: £132,000), and no further dividend is proposed (1994: £Nil).

### Fixed assets

Details of changes in tangible fixed assets are given in note 9 to the financial statements.

### Directors

The interests of the directors who held office throughout the year, in the shares of the company, were as follows:

	Ordinary shares of £1 each	
	1995	1994
PD Bevan	80	80
MF Bevan	80	80
ND Bevan	80	80
IR Fraser	-	-
IP Cowling	-	-
	<hr/>	<hr/>

In accordance with the Articles of Association, all the directors retire and, being eligible, offer themselves for re-election.

# Flexdart Limited

## Directors' report *(continued)*

### 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 group and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

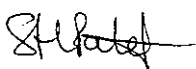
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG is to be proposed at the forthcoming annual general meeting.

Approved by the Board on 21 March 1996 and signed on its behalf by:



**SH Patel**  
*Secretary*

Marsh Lane  
Water Orton  
Birmingham  
B46 1NS



2 Cornwall Street  
Birmingham  
B3 2DL

## Auditors' report to the members of Flexdart Limited

We have audited the financial statements on pages 4 to 23.

### *Respective responsibilities of directors and auditors*

As described on page 2, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### *Basis of opinion*

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### *Opinion*

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 31 December 1995 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants  
Registered Auditors

21 March 1996

# Flexdart Limited

## Consolidated profit and loss account for the year ended 31 December 1995

	Note	1995 £	1994 £
<b>Turnover</b>			
Cost of sales	2	17,736,874 (15,223,994)	14,444,058 (12,127,741)
<b>Gross profit</b>		<u>2,512,880</u>	<u>2,316,317</u>
Distribution costs		(1,101,882)	(1,118,583)
Administrative expenses		(808,680)	(507,415)
Other operating income		102,891	50,550
<b>Operating profit</b>		<u>705,209</u>	<u>740,869</u>
Profit on disposal of tangible fixed assets		39,483	27,254
Interest payable and similar charges	3	(140,645)	(124,443)
<b>Profit on ordinary activities before taxation</b>	4	<u>604,047</u>	<u>643,680</u>
Tax on profit on ordinary activities	7	(136,409)	(165,116)
<b>Profit for the financial year</b>	8	<u>467,638</u>	<u>478,564</u>
Dividends paid		-	(132,000)
<b>Retained profit for the year</b>		<u>467,638</u>	<u>346,564</u>
Retained profit brought forward		1,216,711	867,284
Revaluation reserve transfer		-	2,863
<b>Retained profit carried forward</b>	18	<u><u>1,684,349</u></u>	<u><u>1,216,711</u></u>

There are no recognised gains or losses other than the profit for the year and the previous year.

A statement of historic cost profit is not presented as the historical cost profit is not materially different from the reported profit.

All of the group's operations are classified as continuing.

# Flexdart Limited

## Consolidated balance sheet at 31 December 1995

	Note	1995 £	1994 £
<b>Fixed assets</b>			
Tangible assets	9	2,469,091	2,471,893
Investments	10	5,000	5,000
		<u>2,474,091</u>	<u>2,476,893</u>
<b>Current assets</b>			
Stocks	11	1,956,874	597,521
Debtors	12	2,532,019	2,603,965
Cash in hand		15,400	6,297
		<u>4,504,293</u>	<u>3,207,783</u>
<b>Creditors: Amounts falling due within one year</b>	13	(4,059,420)	(3,035,361)
<b>Net current assets</b>		<u>444,873</u>	<u>172,422</u>
<b>Total assets less current liabilities</b>		<u>2,918,964</u>	<u>2,649,315</u>
<b>Creditors: Amounts falling due after more than one year</b>	14	(440,463)	(638,452)
<b>Net assets</b>		<u>2,478,501</u>	<u>2,010,863</u>
<b>Capital and reserves</b>			
Called up share capital	16	260	260
Share premium account	17	49,940	49,940
Profit and loss account	18	1,684,349	1,216,711
Other reserves	18	743,952	743,952
<b>Shareholders' funds</b>	22	<u>2,478,501</u>	<u>2,010,863</u>

These financial statements were approved by the board of directors on 21 March 1996 and were signed on its behalf by:

  
MF Bevan  
Director

# Flexdart Limited

## Company balance sheet at 31 December 1995

	Note	1995 £	1994 £
<b>Fixed assets</b>			
Tangible assets	9	2,469,076	2,465,509
Investments	10	69,900	69,900
		<u>2,538,976</u>	<u>2,535,409</u>
<b>Current assets</b>			
Stocks	11	1,727,388	421,347
Debtors	12	2,661,294	2,491,120
Cash at bank and in hand		15,400	6,297
		<u>4,404,082</u>	<u>2,918,764</u>
Creditors: Amounts falling due within one year	13	(3,958,904)	(2,862,524)
<b>Net current assets</b>		<u>445,178</u>	<u>56,240</u>
<b>Total assets less current liabilities</b>		<u>2,984,154</u>	<u>2,591,649</u>
Creditors: Amounts falling due after more than one year	14	(593,263)	(791,252)
<b>Net assets</b>		<u>2,390,891</u>	<u>1,800,397</u>
<b>Capital and reserves</b>			
Called up share capital	16	260	260
Share premium account	17	49,940	49,940
Profit and loss account	18	1,383,868	793,374
Other reserves	18	956,823	956,823
<b>Shareholders' funds</b>		<u>2,390,891</u>	<u>1,800,397</u>

These financial statements were approved by the board of directors on 21 March 1996 and were signed on its behalf by:

  
MF Bevan  
Director



# Flexdart Limited

## Cash flow statement for the year ended 31 December 1995

	Note	1995		1994	
		£	£	£	£
Net cash inflow from operating activities	19(a)		183,443		396,187
Returns on investments and servicing of finance					
Interest paid		(140,675)		(124,443)	
Dividends paid		-		(132,000)	
Taxation			(140,675)		(256,443)
UK corporation tax paid			(152,409)		(124,276)
Investing activities					
Purchase of tangible fixed assets		(24,790)		(45,024)	
Sale of tangible fixed assets		47,668		53,380	
Net cash inflow from investing activities			22,878		8,356
Net cash (outflow)/inflow before financing			(86,763)		23,824
Financing					
Repayment of hire purchase		(235,844)		(193,121)	
Repayment of bank loans		(151,863)		(43,878)	
Net cash outflow from financing			(387,707)		(236,999)
Decrease in cash and cash equivalents	19(b)		(474,470)		(213,175)

# Flexdart Limited

## Notes

(forming part of the financial statements)

### 1 Accounting policies

The group financial statements are prepared under the historical cost convention modified to include the revaluation of land and buildings. The group's accounting policies which conform with applicable Accounting Standards are set out below:

#### *Consolidation*

The group financial statements include the financial statements of the parent company and all of its subsidiary undertakings for the year ended 31 December 1995.

A separate profit and loss account dealing with the results of the company has not been presented as permitted by Section 230(4) of the Companies Act 1985.

The acquisition method of accounting has been adopted. Under this method, the results of subsidiary and associated undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal. Goodwill arising on consolidation (representing the excess of fair value of consideration given over the fair value of the separable net assets acquired) is written off against reserves on acquisition. Where the merger relief provisions of the Companies Act 1985 apply, the premium arising on shares issued is credited to the merger reserve and is available for the write off of goodwill.

#### *Turnover*

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers outside the group.

#### *Depreciation*

Depreciation is calculated to write off the cost less estimated residual value of tangible fixed assets on a straight line basis over their estimated useful lives as follows.

Freehold land	Nil
Freehold buildings	2%
Plant and machinery	20% (50% for some computer equipment)
Fixtures, fittings, tools and equipment	20%
Motor vehicles	25%

#### *Stocks*

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

#### *Deferred taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

# Flexdart Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. All exchange differences are reported as part of the result for the year.

#### *Leasing*

Rentals payable in respect of operating leases are charged to the profit and loss account as they fall due.

#### *Hire purchase*

Assets acquired under hire purchase contracts are capitalised and the capital element of the lease rentals is included in creditors. Finance charges are charged to the profit and loss account so as to produce a constant rate of return on the outstanding balance.

#### *Pensions*

The company operates a contributory pension scheme which is administered by trustees and is independent of the group's finances. Contributions are paid into the scheme in accordance with the recommendations of independent actuaries who carry out valuations at regular intervals.

### 2 Turnover

The turnover and result for the year are attributable to the principal activity of the group. A geographical analysis of turnover is given below:

	1995 £	1994 £
UK	12,029,222	10,068,317
Export	5,707,652	4,375,741
	<hr/>	<hr/>
	17,736,874	14,444,058
	<hr/>	<hr/>

# Flexdart Limited

## Notes (continued)

### 3 Interest payable and similar charges

	1995 £	1994 £
Interest payable on bank loans and overdrafts and other loans wholly repayable within five years	122,013	107,634
Hire purchase interest	18,632	16,809
	<u>140,645</u>	<u>124,443</u>

### 4 Profit on ordinary activities before taxation

	1995 £	1994 £
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Depreciation of tangible fixed assets	181,061	217,909
Auditors' remuneration:		
Audit	11,300	11,250
Other	4,290	4,250
Hire of plant and machinery	9,134	6,902
Other operating leases:		
Land and buildings	11,400	11,400
	<u>181,061</u>	<u>217,909</u>

### 5 Directors' emoluments

	1995 £	1994 £
Management services	416,454	177,079
Pension contributions	4,930	4,397
	<u>421,384</u>	<u>181,476</u>
The emoluments of the directors (excluding pension contributions) include amounts paid to:		
Highest paid director	<u>115,432</u>	<u>44,350</u>

# Flexdart Limited

## Notes (continued)

### 5 Directors' emoluments (continued)

The number of directors who received emoluments (excluding pension contributions) in the following ranges were:

	Number of directors	
	1995	1994
£20,001 - £25,000	-	1
£25,001 - £30,000	-	1
£30,001 - £35,000	1	-
£35,001 - £40,000	-	2
£40,001 - £45,000	1	1
£85,001 - £90,000	1	-
£100,001 - £105,000	1	-
£115,001 - £120,000	1	-
	<hr/>	<hr/>
	5	5
	<hr/>	<hr/>

#### Transactions:

During the year, the company purchased various goods and services from Linda Vista Auto Engineers Limited with a value of approximately £1,887. MF Bevan is a director of this company.

MF Bevan and PD Bevan were materially interested as beneficiaries to the pension fund, to which the company paid rent of £15,000.

Commodity dealing was carried out on arms' length terms with the following clients, being the directors personally, their connected parties or companies under their control:

Client	Value of commission earned during the year £	Client account balance at 31 December 1995 Due from/(to) £	Client account balance at 31 December 1994 Due from/(to) £
MF Bevan	283	(675)	(9,133)
DF Bevan	-	5,160	5,160
	<hr/>	<hr/>	<hr/>

# Flexdart Limited

## Notes (continued)

### 6 Staff costs

The average number of persons employed by the group (including directors) during the year was as follows:

	Number of employees	
	1995	1994
Management	11	11
Administration	6	6
Works	44	39
	<hr/>	<hr/>
Total employees	61	56
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	963,750	610,901
Social security costs	89,207	84,557
Other pension costs	12,066	10,335
	<hr/>	<hr/>
	1,065,023	705,793
	<hr/>	<hr/>

### 7 Tax on profit on ordinary activities

	1995 £	1994 £
Tax charge based on the profit on ordinary activities for the year:		
Corporation tax at 33% (1994: 33%)	155,000	180,000
Adjustments in respect of prior years	(18,591)	(14,884)
	<hr/>	<hr/>
	136,409	165,116
	<hr/>	<hr/>

### 8 Profit for the financial year

	1995 £	1994 £
Attributable to the parent company	273,703	368,001
Attributable to subsidiary undertakings	193,935	110,563
	<hr/>	<hr/>
	467,638	478,564
	<hr/>	<hr/>

# Flexdart Limited

## Notes (continued)

### 9 Tangible fixed assets

#### (a) Group

	Freehold land and buildings	Plant and machinery	Fixtures, fittings, tools and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At beginning of year	2,148,855	1,399,389	85,449	509,965	4,143,658
Additions	-	129,417	12,877	44,150	186,444
Disposals	-	(604,520)	(45,761)	(95,120)	(745,401)
<b>At end of year</b>	<b>2,148,855</b>	<b>924,286</b>	<b>52,565</b>	<b>458,995</b>	<b>3,584,701</b>
Comprising:					
Cost	298,855	924,286	52,565	458,995	1,734,701
Valuation 1991	1,850,000	-	-	-	1,850,000
	<b>2,148,855</b>	<b>924,286</b>	<b>52,565</b>	<b>458,995</b>	<b>3,584,701</b>
<b>Accumulated depreciation</b>					
At beginning of year	29,090	1,290,520	75,046	277,109	1,671,765
Charge for the year	7,467	55,538	12,928	105,128	181,061
Eliminated on disposals	-	(596,371)	(45,733)	(95,112)	(737,216)
<b>At end of year</b>	<b>36,557</b>	<b>749,687</b>	<b>42,241</b>	<b>287,125</b>	<b>1,115,610</b>
<b>Net book value</b>					
At 31 December 1995	<b>2,112,298</b>	<b>174,599</b>	<b>10,324</b>	<b>171,870</b>	<b>2,469,091</b>
At 31 December 1994	<b>2,119,765</b>	<b>108,869</b>	<b>10,403</b>	<b>232,856</b>	<b>2,471,893</b>

The gross amount of depreciable assets included within freehold land and buildings is £373,333 (1994: £373,333).

# Flexdart Limited

## Notes (continued)

### 9 Tangible fixed assets (continued)

#### (b) Company

	Freehold land and buildings	Plant and machinery	Fixtures, fittings, tools and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At beginning of year	2,148,855	1,399,389	68,911	509,965	4,127,120
Additions	-	129,417	12,877	44,150	186,444
Disposals	-	(604,520)	(45,761)	(95,120)	(745,401)
<b>At end of year</b>	<b>2,148,855</b>	<b>924,286</b>	<b>36,027</b>	<b>458,995</b>	<b>3,568,163</b>
Comprising:					
Cost	298,855	924,286	36,027	458,995	1,718,163
Valuation 1991	1,850,000	-	-	-	1,850,000
	<b>2,148,855</b>	<b>924,286</b>	<b>36,027</b>	<b>458,995</b>	<b>3,568,163</b>
<b>Accumulated depreciation</b>					
At beginning of year	29,090	1,290,520	64,892	277,109	1,661,611
Charge for the year	7,467	55,538	6,559	105,128	174,692
Eliminated on disposals	-	(596,371)	(45,733)	(95,112)	(737,216)
<b>At end of year</b>	<b>36,557</b>	<b>749,687</b>	<b>25,718</b>	<b>287,125</b>	<b>1,099,087</b>
<b>Net book value</b>					
At 31 December 1995	2,112,298	174,599	10,309	171,870	2,469,076
At 31 December 1994	2,119,765	108,869	4,019	232,856	2,465,509

The gross amount of depreciable assets included within freehold land and buildings is £373,333 (1994: £373,333).



# Flexdart Limited

## Notes (continued)

### 9 Tangible fixed assets (continued)

#### (c) Tangible fixed assets held under finance lease or hire purchase contracts

Plant and machinery and motor vehicles of the group, included in (a) and (b), held under finance lease or hire purchase contracts are as follows:

	1995 £	1994 £
Net book value	<u>253,957</u>	<u>255,440</u>
Depreciation charged in the year	<u>129,047</u>	<u>133,169</u>

#### (d) The amount of land and buildings, included above at valuation, determined according to the historical cost accounting rules, is as follows:

	Group and company Freehold land and buildings £
<b>Cost</b>	
At beginning and end of year	<u>893,177</u>
<b>Accumulated depreciation</b>	
At beginning of year	36,360
Charge for the year	<u>12,120</u>
<b>At end of year</b>	<u>48,480</u>
<b>Net book value</b>	
At 31 December 1995	<u>844,697</u>
At 31 December 1994	<u>856,817</u>

Freehold land and buildings were revalued in September 1991 by qualified chartered surveyors on the basis of the open market value for existing use.

# Flexdart Limited

## Notes (continued)

### 10 Investments (held as fixed assets)

#### (a) Group

	Fine art £
At beginning and end of year	<u>5,000</u>

#### Fixed assets

#### (b) Company

	Fine art £	Investments £	Total £
<b>Cost</b>			
At beginning and end of year	<u>5,000</u>	<u>449,511</u>	<u>454,511</u>
<b>Provisions for diminution in value</b>			
At beginning and end of year	<u>-</u>	<u>384,611</u>	<u>384,611</u>
<b>Net book value</b>			
At beginning and end of year	<u>5,000</u>	<u>64,900</u>	<u>69,900</u>

Details of the company's operating subsidiary undertaking at 31 December 1995 are as follows:

Name	Country of registration	Nature of trade	Class of shares held	Percentage holding
Beaver Metals (London) Limited	England and Wales	Traders in primary and secondary steel products	Ordinary	100%

### 11 Stocks

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
Raw materials and consumables	777,883	376,554	790,174	376,554
Finished goods and goods for resale	398,271	220,967	156,494	44,793
Stock held at third party	780,720	-	780,720	-
	<u>1,956,874</u>	<u>597,521</u>	<u>1,727,388</u>	<u>421,347</u>

# Flexdart Limited

## Notes (continued)

### 12 Debtors

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
Trade debtors	2,033,086	2,528,442	1,796,613	2,367,992
Amounts due from subsidiary undertakings	-	-	383,206	71,555
Other debtors	206,956	10,181	197,239	-
Prepayments	291,977	65,342	284,236	51,573
	<u>2,532,019</u>	<u>2,603,965</u>	<u>2,661,294</u>	<u>2,491,120</u>

### 13 Creditors: Amounts falling due within one year

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
Bank loans and overdrafts	1,476,004	992,431	1,859,257	1,149,390
Trade creditors	1,643,035	1,297,849	1,324,420	1,085,368
Corporation tax	155,000	172,000	65,000	117,000
Other taxation and social security costs	146,549	53,424	146,549	53,424
Other creditors	46,538	17,687	46,538	17,687
Amounts due under finance lease and hire purchase contracts	147,116	175,180	147,116	175,180
Accruals	445,178	326,790	370,024	264,475
	<u>4,059,420</u>	<u>3,035,361</u>	<u>3,958,904</u>	<u>2,862,524</u>

The bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company and its subsidiary undertakings.

# Flexdart Limited

## Notes (continued)

### 14 Creditors: Amounts falling due after more than one year

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Bank loans	325,978	477,841	325,978	477,841
Amounts due under finance lease and hire purchase contracts	114,485	160,611	114,485	160,611
Amounts due to subsidiary undertakings	-	-	152,800	152,800
	<u>440,463</u>	<u>638,452</u>	<u>593,263</u>	<u>791,252</u>

The bank loans are repayable by instalments, bear interest at 2.5% above base rate and are secured by fixed and floating charges over the assets of the company and its subsidiary undertakings.

Bank loans are repayable as follows:

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Between one and two years	151,864	151,864	151,864	151,864
Between two and five years	174,114	325,977	174,114	325,977
	<u>325,978</u>	<u>477,841</u>	<u>325,978</u>	<u>477,841</u>

Hire purchase contracts are repayable as follows:

	1995	1994	1995	1994
	£	£	£	£
Between one and two years	95,602	104,000	95,602	104,000
Between two and five years	18,883	56,611	18,883	56,611
	<u>114,485</u>	<u>160,611</u>	<u>114,485</u>	<u>160,611</u>

# Flexdart Limited

## Notes (continued)

### 15 Provision for liabilities and charges

#### *Deferred taxation*

The company and the group have an unprovided liability for deferred taxation in respect of the revaluation of land and buildings which, at 31 December 1995, amounted to £366,000 (1994: £374,000). No provision has been made since the directors do not envisage the disposal of these assets.

The company and the group have no other unprovided deferred tax liabilities.

### 16 Share capital

	1995 and 1994 £
<i>Authorised:</i>	
Ordinary shares of £1 each	1,000

	Group £	Company £
<i>Allotted, called up and fully paid:</i>		
Ordinary shares of £1 each:		
At beginning and end of the year	260	260

### 17 Share premium account

	Group and company £
At beginning and end of year	49,940

# Flexdart Limited

## Notes (continued)

### 18 Reserves

	Group			Company	
	Profit and loss account £	Revaluation reserve £	Merger reserve £	Profit and loss account £	Revaluation reserve £
At 1 January 1995	1,216,711	644,052	99,900	793,374	956,823
Retained profit for the financial year	467,638	-	-	590,494	-
At 31 December 1995	<u>1,684,349</u>	<u>644,052</u>	<u>99,900</u>	<u>1,383,868</u>	<u>956,823</u>

The cumulative goodwill set off against group reserves is £312,771 (1994: £312,771).

### 19 Notes to the cash flow statement

#### (a) Reconciliation of operating profit to net cash inflow from operating activities

	1995 £	1994 £
Operating profit	705,209	740,869
Depreciation charge	181,061	217,909
Decrease/(increase) in debtors	71,946	(674,453)
(Increase)/decrease in stocks	(1,359,353)	39,487
Increase in creditors	584,580	72,375
Net cash inflow from operating activities	<u>183,443</u>	<u>396,187</u>

#### (b) Decrease in cash and cash equivalents

	1995 £	1994 £
At beginning of year	(834,270)	(621,095)
Cash outflow	<u>(474,470)</u>	<u>(213,175)</u>
At end of year	<u>(1,308,740)</u>	<u>(834,270)</u>

# Flexdart Limited

## Notes (continued)

### 19 Notes to the cash flow statement (continued)

#### (c) Analysis of balances of cash and cash equivalents shown in the balance sheet

	1995	1994	Change in year
	£	£	£
Cash at bank and in hand	15,400	6,297	9,103
Bank overdraft	(1,324,140)	(840,567)	(483,573)
	<u>(1,308,740)</u>	<u>(834,270)</u>	<u>(474,470)</u>
	1994	1993	Change in year
	£	£	£
Cash at bank and in hand	6,297	5,071	1,226
Bank overdraft	(840,567)	(626,166)	(214,401)
	<u>(834,270)</u>	<u>(621,095)</u>	<u>(213,175)</u>

# Flexdart Limited

## Notes (continued)

### 19 Notes to the cash flow statement (continued)

#### (d) Analysis of changes in financing during the year

	Share capital (including premium) £	Loans £	Hire purchase obligations £
Balance at 1 January 1994	50,200	673,583	308,041
Cash outflow from repayment of bank loans	-	(43,878)	-
Cash outflow from repayment of hire purchase obligations	-	-	(193,121)
Inception of hire purchase contract	-	-	220,871
	<hr/>	<hr/>	<hr/>
Balance at 31 December 1994	50,200	629,705	335,791
Cash outflow from repayment of bank loans	-	(151,863)	-
Cash outflow from repayment of hire purchase obligations	-	-	(235,844)
Inception of hire purchase contracts	-	-	161,654
	<hr/>	<hr/>	<hr/>
Balance at 31 December 1995	50,200	477,842	261,601

### 20 Financial commitments

#### Obligations under operating leases

At 31 December 1995, the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	1995	1994
	£	£
Leases which expire:		
Greater than five years	11,400	11,400



# Flexdart Limited

## Notes (continued)

### 21 Pensions

The group operates two defined contribution pension schemes. The assets of each scheme are held separately from those of the group in independently administered funds. The pension charge represents contributions payable by the group to the funds and amounted to £12,066 (1994: £10,335). Contributions to the funds vary from time to time within limits specified by the actuaries. The maximum contribution is that required to provide the Inland Revenue maximum benefits.

### 22 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Profit for the financial year	467,638	478,564
Dividend paid	-	(132,000)
	<hr/>	<hr/>
Opening shareholders' funds	467,638	346,564
	2,010,863	1,664,299
	<hr/>	<hr/>
Closing shareholders' funds	2,478,501	2,010,863
	<hr/>	<hr/>


# Flexdart Limited

## Profit and loss account

for the year ended 31 December 1995

	1995 £	1994 £
Turnover	15,499,550	12,255,250
Cost of sales	(13,967,555)	(10,809,370)
<b>Gross profit</b>	<b>1,531,995</b>	<b>1,445,880</b>
Distribution costs	(604,513)	(615,555)
Administrative expenses	(587,002)	(301,906)
Other operating income	102,891	50,550
<b>Operating profit</b>	<b>443,371</b>	<b>578,969</b>
Income from shares in group undertakings	304,498	-
Profit on disposal of tangible fixed assets	39,483	27,254
Interest payable and similar charges	(140,645)	(124,443)
<b>Profit on ordinary activities before taxation</b>	<b>646,707</b>	<b>481,780</b>
Tax on profit on ordinary activities	(56,213)	(113,779)
<b>Profit on ordinary activities after taxation</b>	<b>590,494</b>	<b>368,001</b>
Dividends paid and proposed	-	(132,000)
<b>Profit for the year</b>	<b>590,494</b>	<b>236,001</b>
Retained profit brought forward	793,374	554,510
Revaluation reserve transfer	-	2,863
<b>Retained profit carried forward</b>	<b>1,383,868</b>	<b>793,374</b>

The profit and loss account was approved by the Board on 21 March 1996 and signed on its behalf by:

  
**MF Bevan**  
 Director