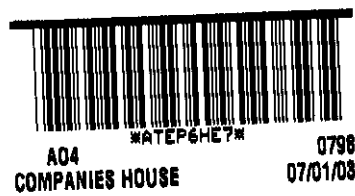


Company Registration No. 2484952 (England and Wales)

SHILDON THERMOPLASTICS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2002



SHILDON THERMOPLASTICS LIMITED

COMPANY INFORMATION

Directors	J Coupe I Carlin
Secretary	M McGregor
Company number	2484952
Registered office	Station Lane Birtley Co Durham DH2 1AW
Auditors	BKR Haines Watts 3 Osborne Terrace Jesmond Newcastle upon Tyne NE2 1NE
Bankers	Lloyds TSB Bank Plc 102 Grey Street Newcastle upon Tyne NE99 1SL

SHILDON THERMOPLASTICS LIMITED

CONTENTS

	Page
Directors' report	1
Independent auditors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 11

SHILDON THERMOPLASTICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2002

The directors present their report and financial statements for the year ended 30 April 2002.

Principal activities

The principal activity of the company continued to be that of the manufacture of thermoplastic materials.

Directors

The following directors have held office since 1 May 2001:

J Coupe

I Carlin

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 April 2002	1 May 2001
J Coupe	4	4
I Carlin	20	20

J Coupe's interest in the share capital of the parent company is disclosed in that company's accounts.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that BKR Haines Watts be reappointed as auditors of the company will be put to the Annual General Meeting.

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 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 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board


.....
J Coupe
Director
7/11/02
.....

SHILDON THERMOPLASTICS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SHILDON THERMOPLASTICS LIMITED

We have audited the financial statements of Shildon Thermoplastics Limited on pages 3 to 11 for the year ended 30 April 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BKR Haines Watts

Chartered Accountants
Registered Auditor

7 November 2002

BKR Haines Watts
.....

3 Osborne Terrace
Jesmond
Newcastle upon Tyne
NE2 1NE

SHILDON THERMOPLASTICS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2002

	Notes	2002 £	2001 £
Turnover		988,561	965,506
Cost of sales		(701,015)	(685,421)
Gross profit		287,546	280,085
Distribution costs		(17,924)	(17,800)
Administrative expenses		(232,631)	(224,938)
Operating profit	2	36,991	37,347
Interest payable and similar charges	3	(1,848)	(956)
Profit on ordinary activities before taxation		35,143	36,391
Tax on profit on ordinary activities	4	(10,000)	(6,332)
Profit on ordinary activities after taxation		25,143	30,059
Dividends		-	(25,000)
Retained profit for the year	11	25,143	5,059

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.


SHILDON THERMOPLASTICS LIMITED

BALANCE SHEET AS AT 30 APRIL 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	5		50,651		40,624
Current assets					
Stocks		76,376		41,203	
Debtors	6	702,619		483,780	
		<u>778,995</u>		<u>524,983</u>	
Creditors: amounts falling due within one year	7	<u>(601,814)</u>		<u>(362,538)</u>	
Net current assets			177,181		162,445
Total assets less current liabilities			<u>227,832</u>		<u>203,069</u>
Creditors: amounts falling due after more than one year	8		(780)		(5,160)
Provisions for liabilities and charges	9		<u>(4,000)</u>		-
			<u>223,052</u>		<u>197,909</u>
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account	11		222,952		197,809
Shareholders' funds - equity interests	12		<u>223,052</u>		<u>197,909</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 7/11/02


J Coupe
Director

SHILDON THERMOPLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 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 less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	16% reducing balance basis
---------------------	----------------------------

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment.

2 Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	7,929	6,110
Directors' emoluments	35,714	35,714

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2001 - 1).

SHILDON THERMOPLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

3	Interest payable	2002	2001
		£	£
	Included in interest payable is the following amount:		
	Hire purchase interest	650	956
		<hr/>	<hr/>
4	Taxation	2002	2001
		£	£
	Domestic current year tax		
	U.K. corporation tax	6,000	5,796
	Payment in respect of group relief	-	536
		<hr/>	<hr/>
	Current tax charge	6,000	6,332
		<hr/>	<hr/>
	Deferred tax		
	Deferred tax charge current year	1,000	-
	Deferred tax adjust re previous year	3,000	-
		<hr/>	<hr/>
		4,000	-
		<hr/>	<hr/>
		10,000	6,332
		<hr/>	<hr/>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	35,143	36,391
		<hr/>	<hr/>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.92% (2001 : 20.00%)	7,000	7,278
		<hr/>	<hr/>
	Effects of:		
	Non deductible expenses	294	-
	Depreciation	1,579	1,223
	Capital allowances	(2,873)	(2,169)
		<hr/>	<hr/>
		(1,000)	(946)
		<hr/>	<hr/>
	Current tax charge	6,000	6,332
		<hr/>	<hr/>

SHILDON THERMOPLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 May 2001	82,354
Additions	23,956
Disposals	(6,000)
	<hr/>
At 30 April 2002	100,310
	<hr/>
Depreciation	
At 1 May 2001	41,730
Charge for the year	7,929
	<hr/>
At 30 April 2002	49,659
	<hr/>
Net book value	
At 30 April 2002	50,651
	<hr/>
At 30 April 2001	40,624
	<hr/>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
Net book values	
At 30 April 2002	10,629
	<hr/>
At 30 April 2001	12,653
	<hr/>
Depreciation charge for the year	
30 April 2002	2,024
	<hr/>
30 April 2001	1,947
	<hr/>

SHILDON THERMOPLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

6 Debtors	2002 £	2001 £
Trade debtors	179,509	81,561
Amounts owed by group undertakings and undertakings in which the company has a participating interest	509,053	402,219
Other debtors	14,057	-
	<u>702,619</u>	<u>483,780</u>
7 Creditors: amounts falling due within one year	2002 £	2001 £
Bank loans and overdrafts	79,871	26,351
Net obligations under hire purchase contracts	3,473	4,380
Trade creditors	132,446	43,064
Amounts owed to group undertakings and undertakings in which the company has a participating interest	376,340	252,176
Taxation and social security	9,423	18,091
Other creditors	261	18,476
	<u>601,814</u>	<u>362,538</u>
8 Creditors: amounts falling due after more than one year	2002 £	2001 £
Net obligations under hire purchase contracts	<u>780</u>	<u>5,160</u>
Net obligations under hire purchase contracts		
Repayable within one year	4,380	5,287
Repayable between one and five years	780	6,217
	<u>5,160</u>	<u>11,504</u>
Finance charges and interest allocated to future accounting periods	(907)	(1,964)
	<u>4,253</u>	<u>9,540</u>
Included in liabilities falling due within one year	(3,473)	(4,380)
	<u>780</u>	<u>5,160</u>

SHILDON THERMOPLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

9 Provisions for liabilities and charges

	Deferred taxation £
Profit and loss account	4,000
Balance at 30 April 2002	<u>4,000</u>

Deferred taxation provided in the financial statements is as follows:

	2002 £	2001 £
Accelerated capital allowances	4,000	-

10 Share capital

	2002 £	2001 £
Authorised		
100 Ordinary shares of £ 1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £ 1 each	100	100

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 May 2001	197,809
Retained profit for the year	25,143
Balance at 30 April 2002	<u>222,952</u>

SHILDON THERMOPLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

12 Reconciliation of movements in shareholders' funds	2002 £	2001 £
Profit for the financial year	25,143	30,059
Dividends	-	(25,000)
	<hr/>	<hr/>
Net addition to shareholders' funds	25,143	5,059
Opening shareholders' funds	197,909	192,850
	<hr/>	<hr/>
Closing shareholders' funds	223,052	197,909
	<hr/>	<hr/>

13 Contingent liabilities

The company has cross guarantee arrangements with its bankers in respect of overdraft facilities of the parent company and fellow subsidiaries.

14 Control

The ultimate parent company is Coupe Construction Limited, a company registered in England and Wales.

SHILDON THERMOPLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

15 Related party transactions

During the year the company undertook the following transactions with Coupe Construction Limited, its parent company:

	2002 £	2001 £
Management charge	130,000	130,000

During the year the company undertook the following transactions with Coupe Line Limited, its fellow subsidiary:

	2002 £	2001 £
Sales	380,134	340,579

The amounts due to related parties at the year end were as follows:

	2002 £	2001 £
Coupe Construction Limited (parent company)	376,340	252,176

The amounts due from related parties at the year end were as follows:

	2002 £	2001 £
Coupe Line Limited (fellow subsidiary)	502,267	377,710
M & M Concrete Limited (fellow subsidiary)	-	17,723
Coupe Plant Hire Limited (fellow subsidiary)	6,786	6,786