

**PRECISION POLYMERS AND RECLAIM (STROUD) LIMITED**

(Company Number 3747491)

**DIRECTORS' REPORT AND ACCOUNTS  
FOR THE YEAR TO 30 APRIL 2008**

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## DIRECTORS' REPORT

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The Directors present their Report and the Financial Statements of the Company for the Year to 30 April 2008.

### DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the Company's state of affairs and of its profit or loss for the year. When they prepare these statements the Directors are required to:

1. Select suitable accounting policies and apply them consistently.
2. Make judgements and estimates which are reasonable and prudent.
3. Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose, at any time and with reasonable accuracy, the Company's financial position and which enable them to ensure that the Financial Statements comply with the Companies Act 1985. The Directors are also responsible for safeguarding the Company's assets and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

### PRINCIPAL ACTIVITY

The Company's principal activity remains the manufacture, sale, and distribution of plastics and plastic materials.

### DIRECTORS

The Directors of the Company throughout the Year and their interests, all of which are beneficial, in its issued ordinary shares were:

Michael HUGHES  
Lyn BRIDGE  
Meryl WILLIAMS

### DIVIDENDS

No dividends were paid during the Year or are proposed now,

This report takes advantage of the special exemptions available to small companies.

On behalf of the Board



Director

## BALANCE SHEET - 30 APRIL 2008

		30 April 2007
TANGIBLE FIXED ASSETS (Note 2)	109,715	119,831
CURRENT ASSETS		
Stock (Note 1)	55,721	41,325
Debtors (Note 3)	204,121	298,127
Cash at bank and in hand	99	-
	<u>259,941</u>	<u>339,452</u>
CREDITORS		
Amounts falling due within one year (Note 4)	<u>(331,456)</u>	<u>(414,753)</u>
NET CURRENT LIABILITIES	(71,515)	(75,301)
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>38,200</u>	<u>44,530</u>
CREDITORS		
Amounts falling due after more than one year	-	-
PROVISIONS FOR LIABILITIES AND CHARGES (Note 5)	(20,117)	(20,272)
	<u>£ 18,083</u>	<u>£ 24,258</u>
CAPITAL AND RESERVES		
Called up Share Capital (Note 6)	200	200
Revenue Reserves	17,883	24,058
EQUITY SHAREHOLDERS' FUNDS	<u>£ 18,083</u>	<u>£ 24,258</u>

BALANCE SHEET - 30 APRIL 2008 - Continued


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For the year to 30 April 2008 this Company is entitled to take advantage of the audit exemption conferred by subsection 1 of S249A of the Companies Act 1985. No notice about the Accounts for the year has been deposited under subsection 2 of S249B of this Act.

The Directors acknowledge their responsibility to ensure that the Company keeps accounting records which comply with S221 of the Act and for preparing Accounts which give a true and fair view of the Company's state of affairs at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of S226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to Accounts so far as they apply to the Company.

These Financial Statements take advantage of the special provisions for small companies in Part VII of the Companies Act 1985 and are in accordance with the "Financial Reporting Standard for Smaller Entities (effective January 2007)"

Signed on behalf of the Board

  
A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, is written over a horizontal line.

DIRECTOR

These Financial Statements were approved by the Board on 19 December 2008.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR TO 30 APRIL 2008

		<i>Year to 30.4.07</i>
TURNOVER (Note 7)	647,613	<i>592,166</i>
Raw Materials and Consumables	(170,221)	<i>(133,361)</i>
Other External Charges	(114,824)	<i>(121,067)</i>
GROSS PROFIT	362,568	<i>337,738</i>
Staff Costs (Note 8)	(164,122)	<i>(148,067)</i>
Depreciation (Note 1)	(10,116)	<i>(10,115)</i>
Other Operating Charges	(186,484)	<i>(181,236)</i>
OPERATING PROFIT/(LOSS)	1,846	<i>(1,680)</i>
Interest payable (Note 9)	(8,176)	<i>(6,251)</i>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 10)	(6,330)	<i>(7,931)</i>
TAXATION (Note 11)	155	<i>491</i>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	(6,175)	<i>(7,440)</i>
DIVIDENDS	-	<i>(24,000)</i>
RETAINED PROFIT FOR THE YEAR	(6,175)	<i>(31,440)</i>
REVENUE RESERVES BROUGHT FORWARD	24,058	<i>55,498</i>
REVENUE RESERVES CARRIED FORWARD	<u>£ 17,883</u>	<u><i>£ 24,058</i></u>

NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2008

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## 1. ACCOUNTING POLICIES

## Basis of Accounting

The Financial Statements have been prepared according to the historical cost convention, prevailing Accounting Standards, the terms of the Companies Act 1985 and the provisions of Part VII of the Act available to small companies, and the "Financial Reporting Standard for Smaller Entities (effective January 2007)"

## Depreciation

The provision for depreciation is calculated on the net cost of Tangible Fixed Assets in order to write off their cost over their estimated useful lives. Items of Plant and Machinery are written off evenly over periods of between five and twenty years depending on the characteristics of the asset in question and Motor Vehicles are written off evenly over seven years.

## Stocks

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

## Deferred Tax

The Company's policy is to provide for deferred tax in full by the liability method at rates currently in force. Tax is deferred because the tax relief obtained from capital allowances exceeds depreciation charged against the cost of relevant fixed assets.

## Cash Flow Statement

The Company has not published a cash flow statement. It has chosen to take advantage of the exemption afforded by Financial Reporting Standard No. 1 on the grounds that it is a small company.

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2008 - Continued

## 2. TANGIBLE FIXED ASSETS

	Plant and Equipment
Cost	
1 May 2007	202,612
Additions	-
Disposals	-
30 April 2008	<u>202,612</u>
Depreciation	
1 May 2007	82,781
Eliminated on disposals	-
Charge for the Year	10,116
30 April 2008	<u>92,897</u>
Net Book Values	
30 April 2008	<u>£ 109,715</u>
30 April 2007	<u>£ 119,831</u>

3. DEBTORS	30.4.08	30.4.07
Trade Debtors	146,706	196,403
Prepayments and Accrued Income	18,231	14,839
Corporation Tax Repayable	-	752
Other Debtors	39,184	86,133
	<u>£ 204,121</u>	<u>£ 298,127</u>
4. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	30.4.08	30.4.07
Bank Overdraft	123,468	120,261
Trade Creditors	192,559	265,711
Accrued Charges and Deferred Income	12,383	24,657
Taxation and Social Security	3,046	3,930
Other Creditors	-	194
	<u>£ 331,456</u>	<u>£ 414,753</u>

The Bank loan and Overdraft are secured.

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2008 - Continued

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5. PROVISIONS FOR LIABILITIES AND CHARGES 30.4.08 30.4.07

The provision is solely for deferred taxation:

Provision at the beginning of the Year	20,272	20,011
Transfer (to)/from Profit and Loss account	(155)	261
	<u>          </u>	<u>          </u>
Provision at the end of the Year	<u>£ 20,117</u>	<u>£ 20,272</u>

## 6. CALLED UP SHARE CAPITAL 30.4.08 30.4.07

Authorised:

1,000 Ordinary shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>
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Allotted, issued and fully paid:

200 Ordinary shares of £1 each	<u>£ 200</u>	<u>£ 200</u>
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## 7. TURNOVER

Turnover is the amount receivable for goods and services provided during the Year. It excludes Value Added Tax and trade discounts. All turnover was within the United Kingdom.

## 8. STAFF COSTS

During the Year the average weekly number of employees (including directors) was 9 (2007 - 11). Payroll costs were:

	2008	2007
Wages, Salaries, and Expenses	149,796	134,897
Social security costs	14,326	13,170
Other pension costs	-	-
	<u>          </u>	<u>          </u>
	<u>£ 164,122</u>	<u>£ 148,067</u>

## 9. INTEREST PAYABLE AND SIMILAR CHARGES 2008 2007

On Bank overdrafts and loans repayable within five years	<u>8,176</u>	<u>6,251</u>
	<u>£ 8,176</u>	<u>£ 6,251</u>

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## NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2008 - Continued

10. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2008	2007
The Profit on ordinary activities before taxation is stated after charging:		
Directors' Emoluments		
- remuneration and benefits as officers	£ -	£ -
Hire of Equipment	£ 6,997	£ 6,994
11. TAX ON LOSS ON ORDINARY ACTIVITIES	2008	2007
The provision is wholly for UK Corporation Tax:		
Deferred taxation	(155)	261
Previous years	-	(752)
	<u>£ (155)</u>	<u>£ (491)</u>
12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2008	2007
Loss for the Financial Year	(6,175)	(7,440)
Dividends	-	(24,000)
	<u>(6,175)</u>	<u>(31,440)</u>
Opening shareholders' funds	24,258	55,698
Closing shareholders' funds	<u>£ 18,083</u>	<u>£ 24,258</u>

All shareholders' funds are attributable to equity interests.

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 30 APRIL 2008 - Continued

## 13. LEASE COMMITMENTS

On 30 April 2008 the Company's minimum annual commitment to payments due under non - cancellable operating leases was:

	30.4.08	30.4.07
For Leasehold Premises		
Leases expiring within one year	-	-
Leases expiring within two to five year	86,767	74,915
	<u>£ 86,767</u>	<u>£ 74,915</u>

## 14. GUARANTEES

The Company has given an unlimited guarantee to secure the bank facilities granted to Extrusion and Moulding Compounds Ltd (EMC) and Capital Valley Plastics Ltd (CVP) which are Companies under common control. The guarantee is secured in the same way as this Company's own bank facilities. On 30 April 2008, EMC had relevant bank facilities totalling £294,645 and CVP had relevant facilities of £215,546. However the directors believe that these liabilities are covered sufficiently by the other companies' own assets and so no provision is either made or called for in these financial statements.

## 15. TRANSACTIONS WITH DIRECTORS AND RELATED COMPANIES

The Company trades goods and services with Extrusion and Moulding Compounds Limited (EMC) and Capital Valley Plastics Limited (CVP) - Companies in which the directors of this Company have a controlling interest. The following transactions have taken place during the Year:

	Sales to EMC	Purchases from EMC	Sales to CVP	Purchases from CVP
Raw Materials	12,093	-	374,453	-
Management and Administration	-	-	-	48,000
	<u>£ 12,093</u>	<u>£ -</u>	<u>£ 374,453</u>	<u>£ 48,000</u>

On 30 April 2008, £110,695 was owed by EMC and £144,453 was owed to CVP.

## 16. CAPITAL COMMITMENTS

There were no Capital Commitments on 30 April 2008.