

PETROPLAS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH APRIL 2000



Seymour Taylor
Chartered Accountants & Registered Auditors
57 London Road
High Wycombe
Buckinghamshire
HP11 1BS

PETROPLAS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2000

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PETROPLAS LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 13, together with the financial statements of the company for the year ended 30th April 2000 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 4 to 13 are properly prepared in accordance with those provisions.

57 London Road
High Wycombe
Buckinghamshire
HP11 1BS

19 Dec 2000


Seymour Taylor
Chartered Accountants
& Registered Auditors

Seymour Taylor

PETROPLAS LIMITED**THE DIRECTORS' REPORT****YEAR ENDED 30TH APRIL 2000**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th April 2000.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of thermoplastic polymer distribution.

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests, including family holdings, in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 Apr 00	At 1 May 99
Mr J. M. B. Scarr	2,000	2,000
Mr R. K. Webb	2,000	2,000

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 8, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

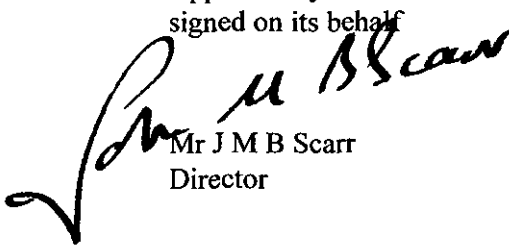
PETROPLAS LIMITED**THE DIRECTORS' REPORT** *(continued)***YEAR ENDED 30TH APRIL 2000****DIRECTORS' RESPONSIBILITIES** *(continued)*

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. The directors 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.

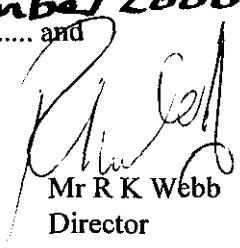
AUDITORS

A resolution to re-appoint Seymour Taylor as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Approved by the board of directors on *19th December 2000* and
signed on its behalf



Mr J M B Scarr
Director



Mr R K Webb
Director

Seymour Taylor

PETROPLAS LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH APRIL 2000**

	Note	2000 £	1999 £
GROSS PROFIT		1,080,975	887,255
Distribution costs		(236,735)	(197,338)
Administrative expenses		(739,659)	(628,906)
OPERATING PROFIT	2	104,581	61,011
Interest receivable		4,419	957
Interest payable	5	(320)	(4,299)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		108,680	57,669
Tax on profit on ordinary activities	6	(20,946)	(14,594)
RETAINED PROFIT FOR THE FINANCIAL YEAR		87,734	43,075
Balance brought forward		1,184,598	1,141,523
Balance carried forward		1,272,332	1,184,598

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 8 to 13 form part of these financial statements.

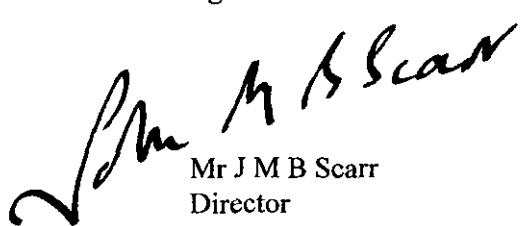
Seymour Taylor

PETROPLAS LIMITED**ABBREVIATED BALANCE SHEET****AS AT 30TH APRIL 2000**

	Note	2000	1999
		£	£
FIXED ASSETS			
Tangible assets	7	131,808	104,487
CURRENT ASSETS			
Stocks	8	734,814	437,092
Debtors	9	1,467,064	1,028,644
Cash at bank and in hand		105,424	311,041
		<u>2,307,302</u>	<u>1,776,777</u>
CREDITORS: Amounts falling due within one year	10	<u>(1,162,778)</u>	<u>(692,666)</u>
NET CURRENT ASSETS		<u>1,144,524</u>	<u>1,084,111</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,276,332</u>	<u>1,188,598</u>
CAPITAL AND RESERVES			
Called-up equity share capital	12	4,000	4,000
Profit and loss account		<u>1,272,332</u>	<u>1,184,598</u>
SHAREHOLDERS' FUNDS	13	<u>1,276,332</u>	<u>1,188,598</u>

These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

14 ~ December 2000
 Approved by the board of directors on and
 signed on its behalf


 Mr J M B Scarr
 Director


 Mr R K Webb
 Director

The notes on pages 8 to 13 form part of these financial statements.

Seymour Taylor

PETROPLAS LIMITED**CASH FLOW STATEMENT****YEAR ENDED 30TH APRIL 2000**

	2000	1999
	£	£
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(176,852)	479,443
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	4,419	957
Interest paid	(320)	(4,299)
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	4,099	(3,342)
TAXATION	(15,096)	(11,275)
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(127,807)	(11,563)
Receipts from sale of fixed assets	59,501	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(68,306)	(11,563)
(DECREASE)/INCREASE IN CASH	<u>(256,155)</u>	<u>453,263</u>
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
	2000	1999
	£	£
Operating profit	104,581	61,011
Depreciation	35,979	35,197
Loss on disposal of fixed assets	5,006	-
(Increase)/Decrease in stocks	(297,722)	171,033
(Increase)/Decrease in debtors	(438,420)	349,614
Increase/(Decrease) in creditors	413,724	(137,412)
Net cash (outflow)/inflow from operating activities	<u>(176,852)</u>	<u>479,443</u>

The notes on pages 8 to 13 form part of these financial statements.

Seymour Taylor

PETROPLAS LIMITED**CASH FLOW STATEMENT** *(continued)***YEAR ENDED 30TH APRIL 2000****RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2000	1999
	£	£
(Decrease)/Increase in cash in the period	(256,155)	453,263
Movement in net debt in the period	(256,155)	453,263
Net funds at 1st May 1999	186,549	(266,714)
Net debt at 30th April 2000	(69,606)	186,549

ANALYSIS OF CHANGES IN NET DEBT

	At 1 May 1999	Cash flows	At 30 Apr 2000
	£	£	£
Net cash:			
Cash in hand and at bank	311,041	(205,617)	105,424
Overdrafts	(124,492)	(50,538)	(175,030)
Net debt	186,549	(256,155)	(69,606)

The notes on pages 8 to 13 form part of these financial statements.

Seymour Taylor

PETROPLAS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH APRIL 2000****1. ACCOUNTING POLICIES****Basis of accounting**

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

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and Machinery	Reducing balance	25% and 15%
	Straight line	25%
Motor Vehicles	Reducing balance	25%

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

PETROPLAS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH APRIL 2000****2. OPERATING PROFIT**

Operating profit is stated after charging:

	2000	1999
	£	£
Depreciation	35,979	35,197
Loss on disposal of fixed assets	5,006	-
Auditors' remuneration		
- as auditors	11,460	8,000
- accountancy	3,206	3,650
Net loss on foreign currency translation	<u>2,707</u>	<u>57</u>

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2000	1999
	No.	No.
Administrative	12	12
Sales	4	4
	<u>16</u>	<u>16</u>

The aggregate payroll costs of the above were:

	2000	1999
	£	£
Wages and salaries	415,453	371,635
Social security costs	45,258	35,153
Other pension costs	20,086	18,420
	<u>480,797</u>	<u>425,208</u>

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2000	1999
	£	£
Emoluments receivable	<u>198,921</u>	<u>165,538</u>

PETROPLAS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH APRIL 2000****4. DIRECTORS' EMOLUMENTS** *(continued)*

The number of directors who are accruing benefits under company pension schemes were as follows:

	2000	1999
	No.	No.
Money purchase schemes	<u>2</u>	<u>2</u>

5. INTEREST PAYABLE

	2000	1999
	£	£
Interest payable on bank borrowing	<u>320</u>	<u>4,299</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000	1999
	£	£
In respect of the year:		
Corporation tax based on the results for the year at 20% (1999 - 20.92%)	20,946	15,096
Adjustment in respect of previous years:		
Corporation tax	-	(502)
	<u>20,946</u>	<u>14,594</u>

PETROPLAS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH APRIL 2000****7. TANGIBLE FIXED ASSETS**

	Plant & Machinery £	Motor Vehicles £	Total £
COST			
At 1st May 1999	85,753	130,573	216,326
Additions	2,705	125,102	127,807
Disposals	-	(130,573)	(130,573)
At 30th April 2000	<u>88,458</u>	<u>125,102</u>	<u>213,560</u>
DEPRECIATION			
At 1st May 1999	52,224	59,615	111,839
Charge for the year	10,629	25,350	35,979
On disposals	-	(66,066)	(66,066)
At 30th April 2000	<u>62,853</u>	<u>18,899</u>	<u>81,752</u>
NET BOOK VALUE			
At 30th April 2000	<u>25,605</u>	<u>106,203</u>	<u>131,808</u>
At 30th April 1999	<u>33,529</u>	<u>70,958</u>	<u>104,487</u>

8. STOCKS

	2000 £	1999 £
Finished goods	<u>734,814</u>	<u>437,092</u>

9. DEBTORS

	2000 £	1999 £
Trade debtors	1,450,259	977,246
Other debtors	1,200	900
Prepayments and accrued income	15,605	50,498
	<u>1,467,064</u>	<u>1,028,644</u>

Trade debtors are insured.

PETROPLAS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH APRIL 2000****10. CREDITORS: Amounts falling due within one year**

	2000	1999
	£	£
Bank loans and overdrafts	175,030	124,492
Trade creditors	650,627	338,638
Corporation tax	20,946	15,096
PAYE and social security	22	22
VAT	225,914	150,148
Other creditors	-	570
Directors' current accounts	1,216	1,152
Accruals and deferred income	89,023	62,548
	<u>1,162,778</u>	<u>692,666</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2000	1999
	£	£
Bank loans and overdrafts	<u>175,030</u>	<u>124,492</u>

11. COMMITMENTS UNDER OPERATING LEASES

At 30th April 2000 the company had annual commitments under non-cancellable operating leases as set out below.

	2000	Land & Buildings
	£	1999
		£
Operating leases which expire:		
Within 1 year	<u>26,000</u>	<u>18,000</u>

The operating lease is renewable.

12. SHARE CAPITAL**Authorised share capital:**

	2000	1999
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

PETROPLAS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH APRIL 2000****12. SHARE CAPITAL *(continued)*****Allotted, called up and fully paid:**

	2000	1999
	£	£
Ordinary share capital	<u>4,000</u>	<u>4,000</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000	1999
	£	£
Profit for the financial year	87,734	43,075
Opening shareholders' equity funds	<u>1,188,598</u>	<u>1,145,523</u>
Closing shareholders' equity funds	<u>1,276,332</u>	<u>1,188,598</u>