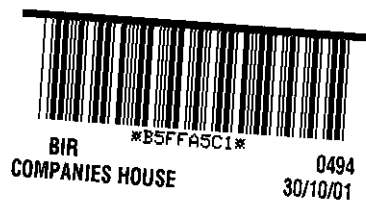


ALPHA ADHESIVES & SEALANTS LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 31ST DECEMBER 2000

Reg No 02154019



ALPHA ADHESIVES & SEALANTS LIMITED

DIRECTORS REPORT

31ST DECEMBER 2000

DIRECTOR A. H. Qureshi

The Director presents his Report and the financial statements for the year ended 31st December 2000.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the distribution of adhesives and sealants.

REVIEW OF BUSINESS AND FUTURE PROSPECTS

The director considers the state of the Company's affairs to be satisfactory.

DIVIDENDS

The director recommends the payment of a dividend in the amount of £30,000.

DIRECTORS INTERESTS

The interests of the director in the shares of the company at the beginning and end of the year was as follows :-

| | | |
|--------------|--------------------|----|
| A.H. Qureshi | £1 Ordinary Shares | 2 |
| | | == |

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

Approved by the Board

Director



27th October 2001.
Birmingham.

ACCOUNTANTS REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS
OF ALPHA ADHESIVES & SEALANTS LIMITED

We report on the accounts for the period ended 31st December 2000 set out on pages 3 to 6.

Respective responsibilities of directors and reporting accountants.

As described on page 3 the Company's director is responsible for the preparation of accounts, and he considers that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of Opinion

Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985:
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) The accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - (ii) The company satisfied the conditions for exemption from an audit of the accounts for the period specified in section 249A(4) of the Act and did not, at any time within the period fall within any of the categories of companies not entitled to exemption in section 249B(1).



M.R. Watson & Co
Chartered Accountants.

Date 27th October 2001.

122 Northfield Road
Kings Norton
Birmingham
B30 1DX.

ALPHA ADHESIVES & SEALANTS LIMITED

BALANCE SHEET - 31ST DECEMBER 2000

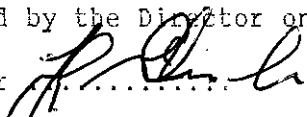
| | <u>2000</u> | <u>1999</u> |
|---|-------------|-------------|
| | £ | £ |
| FIXED ASSETS | | |
| Tangible Assets | 80,775 | 45,233 |
| | | ----- |
| CURRENT ASSETS | | |
| Stock | 3,146 | 2,072 |
| Debtors | 110,059 | 127,129 |
| Cash at Bank and in Hand | 39,140 | 16,132 |
| Investments | 6,652 | 6,652 |
| | ----- | ----- |
| | 158,997 | 151,985 |
| CREDITOR : AMOUNTS FALLING DUE WITHIN ONE YEAR | 152,773 | 144,326 |
| | ----- | ----- |
| NET CURRENT ASSETS | 6,224 | 7,659 |
| | ----- | ----- |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 86,999 | 52,892 |
| | | |
| CREDITORS : AMOUNTS FALLING DUE AFTER ONE YEAR | 18,867 | - |
| | ----- | ----- |
| | 68,132 | 52,892 |
| | ===== | ===== |
| Financed by :- | | |
| | | |
| CALLLED UP SHARE CAPITAL | 2 | 2 |
| RESERVES | 68,130 | 52,890 |
| | ----- | ----- |
| SHAREHOLDERS FUNDS | 68,132 | 52,892 |
| | ===== | ===== |

The director has :-

- taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1)
- confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985
- acknowledged his responsibilities for ensuring that the company keeps records which comply with section 221 of the Companies Act 1985
- acknowledge his responsibilities for preparing accounts which give a true and fair view of the company and of its profit for the period then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company
- the accounts are prepared in accordance with the special provisions of Part VII of the Companies Act relating to small companies.

Approved by the Director on 27th October 2001

Director



(3)

ALPHA ADHESIVES & SEALANTS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2000

| | 12 Mths <u>31.12.00</u> | 12 Mths <u>31.12.99</u> |
|------------------------------|----------------------------|----------------------------|
| | £ | £ |
| TURNOVER | 614,246 | 572,800 |
| | ----- | ----- |
| TRADING PROFIT | 56,164 | 25,964 |
| INTEREST RECEIVED | 1,355 | 734 |
| | ----- | ----- |
| PROFIT BEFORE TAXATION | 57,519 | 26,698 |
| CORPORATION TAX FOR THE YEAR | (12,279) | (3,849) |
| | ----- | ----- |
| PROFIT AFTER TAXATION | 45,240 | 22,849 |
| DIVIDEND | (30,000) | (18,000) |
| | ----- | ----- |
| TRANSFER TO RESERVES | 15,240 | 4,849 |
| | ===== | ===== |

The company has no recognised gains or losses other than the trading profit for the year.

ALPHA ADHESIVES & SEALANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

1. PRINCIPAL ACCOUNTING POLICIES

- a) Basis of accounting :- the financial statements are prepared in accordance with the historical cost convention.
- b) Turnover which excludes V.A.T. represents the invoiced value of goods and services supplied.
- c) Fixed Assets are stated at cost.
Depreciation is provided on a straight line basis.
- d) Stock and work in progress is shown at the lower of cost and net realisable value.

2. FIXED ASSETS

| | <u>Total</u> | <u>Plant</u> | <u>Motors</u> |
|----------------------------|--------------|--------------|---------------|
| | £ | £ | £ |
| Cost at 31st December 1999 | 112,911 | 59,242 | 53,669 |
| Additions at Cost | 53,267 | 11,267 | 42,000 |
| | ----- | ----- | ----- |
| Cost at 31st December 2000 | 166,178 | 70,509 | 95,669 |
| Accumulated Depreciation | 85,403 | 26,484 | 58,919 |
| | ----- | ----- | ----- |
| NET BOOK VALUE - 2000 | 80,775 | 44,025 | 36,750 |
| | ===== | ===== | ===== |
| NET BOOK VALUE - 1999 | 45,233 | 39,808 | 5,425 |
| | ===== | ===== | ===== |

3. CORPORATION TAX

| | <u>2000</u> | <u>1999</u> |
|---------------------|-------------|-------------|
| | £ | £ |
| Charge for the Year | 12,279 | 3,849 |
| | ===== | ===== |

4. SHARE CAPITAL

| | | | |
|------------|--------------------|-----|-----|
| AUTHORISED | £1 Ordinary Shares | 100 | 100 |
| | | === | === |
| ISSUED | £1 Ordinary Shares | 2 | 2 |
| | | === | === |

ALPHA ADHESIVES & SEALANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

| | | |
|--|-------------|-------------|
| 5. DEBTORS | <u>2000</u> | <u>1999</u> |
| | £ | £ |
| Trade Debtors | 110,059 | 127,129 |
| | ===== | ===== |
| 6. CREDITORS : AMOUNTS FALLING DUE WITHIN TWELVE MONTHS | | |
| Trade Creditors | 88,486 | 116,542 |
| Vat & Paye | 18,698 | 9,263 |
| Accruals | 714 | 745 |
| Bank Overdraft | 19,778 | 9,687 |
| Corporation Tax | 12,279 | 6,965 |
| Directors Loan Account | 196 | 1,124 |
| Hire Purchase | 12,622 | - |
| | ----- | ----- |
| | 152,773 | 144,326 |
| | ===== | ===== |
| 7. CREDITORS : AMOUNTS FALLING DUE AFTER ONE YEAR | | |
| Hire Purchase | 18,867 | - |
| | ===== | ===== |
| 8. RESERVES | | |
| Balance b/fwd | 52,890 | 48,041 |
| Profit for the Year | 15,240 | 4,849 |
| | ----- | ----- |
| | 68,130 | 52,890 |
| | ===== | ===== |
| 9. The trading profit is shown after charging :- | | |
| Depreciation | 17,725 | 8,094 |
| Auditors Remuneration | 500 | 420 |
| Interest Payable | 300 | 1,840 |
| Corporation Tax Interest | 229 | 390 |
| | ===== | ===== |