

COLD DRAWN PRODUCTS LIMITED

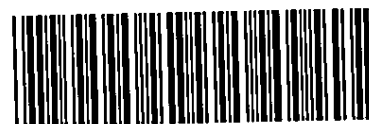
(formerly Barnards Limited)

Report and Financial Statements

31 December 2006

**Deloitte & Touche LLP
Leeds**

WEDNESDAY



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COMPANIES HOUSE

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

REPORT AND FINANCIAL STATEMENTS 2006

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COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

REPORT AND FINANCIAL STATEMENTS 2006

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

H J Velge
C R A Loncke
N D Purshouse
B R M A Cluydts

SECRETARY

D C Smith

REGISTERED OFFICE

Old Popplewell Lane
Scholes
Cleckheaton
West Yorkshire
BD19 6DE

SOLICITORS

Cobbetts LLP
No 1 Whitehall Riverside
Leeds
LS1 4BN

BANKERS

HSBC plc
14 Bradford Road
Cleckheaton
West Yorkshire
BD19 3JR

AUDITORS

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Leeds

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2006

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company from 3 October 2006 was the manufacture of profile wire prior to that date the company had not traded

On 28 April 2006 the company acquired Lane Brothers Engineering Industries Limited, including its subsidiary, Cold Drawn Products Limited

On 2 October 2006 the company bought the share capital of Cold Drawn Products from Lane Brothers Engineering Industries Limited

On 3 October 2006, the company bought the assets and liabilities of Barnards Limited (formerly Cold Drawn Products Limited) On the same day the company changed its name to Cold Drawn Products Limited, and Cold Drawn Products Limited changed its name to Barnards Limited

The profit for the year after taxation of £414,199 (2005 (non-trading) - £20,652) reflects a 3-month trading period

FUTURE PROSPECTS

The company is continuing to develop its offshore business through internal expansion Prospects in traditional mature markets continue to be challenging, due to increased foreign competition Overall the foreseeable future looks positive

KEY PERFORMANCE INDICATORS

The company looks to maximise its on-time deliveries to customers In the year the company achieved an on-time delivery success rate of 93% (2005 n/a)

The company looks to maximise its utilisation of plant and equipment by minimising machine downtime In the year the level of downtime and machine set-up time was measured at 81% (2005 n/a)

The company endeavours to minimise its working capital At the end of the year net working capital requirement was £559,000 (2005 nil)

RISKS AND UNCERTAINTIES

Cash flow risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates The company uses foreign exchange forward contracts to hedge this exposure

Credit risk

The company's principal financial assets are bank balances and cash, and trade and other receivables

The company's credit risk is primarily attributable to its trade receivables The amounts presented in the balance sheet are net of allowances for doubtful receivables The company obtains credit insurance cover for all its customers

TREASURY

The company's treasury operates procedures designed to reduce or eliminate financial risk The policies are approved by the Board and the use of financial instruments is strictly controlled

The company's principal financial instruments comprise borrowings, cash and various items, such as trade debtors and trade creditors that arise directly from its operations The company does not use forward foreign currency contracts to manage the currency rate risks arising from the company's operations The company does not use interest rate swaps to manage the interest rate risks arising from the company's operations

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

DIRECTORS' REPORT (continued)

DIRECTORS

The directors who served during the year were as follows

D J C Berten	(resigned 21 June 2006)
H J Velge	(appointed 21 June 2006)
C R A Loncke	(appointed 21 June 2006)
N D Purshouse	(appointed 31 July 2006)
B R M A Cluydts	(appointed 31 July 2006)

CHARITABLE DONATIONS

The company made charitable donations of £Nil (2005 - £Nil) during the period

DISCLOSURE OF RELEVANT INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that

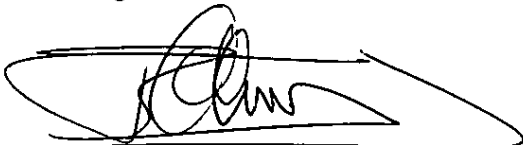
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

A resolution for the reappointment of Deloitte & Touche LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board



Bruno Cluydts
Director
29/10/ 2007

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare the accounts for the company in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare such financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and of the profit or loss of the company for that period and comply with UK GAAP and the Companies Act 1985. 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,
- state whether applicable accounting standards have been followed, and
- 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

We have audited the financial statements of Cold Drawn Products Limited (formerly Barnards Limited) for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes 1 to 24. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 circumstances of the company and the group, 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.

Debit & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

Leeds

31 October 2007

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2006

	Note	2006 £	2005 £
TURNOVER	2	6,168,043	-
Cost of sales		(4,568,375)	-
Gross profit		1,599,668	-
Distribution costs		(245,343)	-
Administrative expenses		(565,908)	-
OPERATING PROFIT	3	788,417	-
Interest receivable and similar charges	6	25,452	9,415
Interest payable and similar charges	5	(358,091)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		455,778	9,415
Taxation	7	(41,579)	11,237
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION/ PROFIT FOR THE FINANCIAL YEAR		414,199	20,652

All of the activities of the company arose from business activities acquired in the year

There were no recognised gains or losses for the year other than those included in the profit and loss account
Therefore no statement of total recognised gains and losses has been presented

There was no material difference between the reported result and the result calculated on an unmodified historical cost basis

The accompanying notes form an integral part of this profit and loss account

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

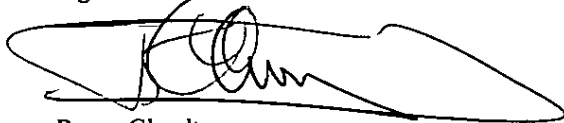
BALANCE SHEET

31 December 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Goodwill	8	6,564,752	-
Fixed assets	9	4,853,538	-
Investments	10	1,965,167	-
		<u>13,383,457</u>	<u>-</u>
CURRENT ASSETS			
Stocks	11	2,050,109	-
Debtors	12	2,540,357	215,153
Cash at bank and in hand		916,515	-
		<u>5,506,981</u>	<u>215,153</u>
CREDITORS: amounts falling due within one year	13	<u>(15,725,654)</u>	<u>(763)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(10,218,673)</u>	<u>214,390</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,164,784</u>	<u>214,390</u>
CREDITORS : amounts falling due after more than one year		<u>(16,275)</u>	<u>-</u>
PROVISION FOR LIABILITIES	17	<u>(519,920)</u>	<u>-</u>
NET ASSETS		<u>2,628,589</u>	<u>214,390</u>
CAPITAL AND RESERVES			
Called up share capital	18	2,095,271	95,271
Profit and loss account	19	533,318	119,119
TOTAL EQUITY SHAREHOLDERS' FUNDS	20	<u>2,628,589</u>	<u>214,390</u>

These financial statements were approved by the Board of Directors on 29/10/2007

Signed on behalf of the Board of Directors



Bruno Cluydts

Director

The accompanying notes are an integral part of this balance sheet

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

1. ACCOUNTING POLICIES

Basis of preparation

The company is exempt from the obligation to prepare and deliver group financial statements as afforded by section 228 of Companies Act 12985, as it is itself a subsidiary undertaking of NV Bekaert SA, which prepares group financial statements that are publicly available

No cash flow statement has been presented, as the company has taken advantage of the dispensation allowed by FRS 1 'Cash flow statements (Revised 1996)' The financial statements of the company's ultimate parent undertaking, NV Bekaert SA, contain a consolidated cash flow statement which deals with the company's cash flows and is publicly available

Turnover

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

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis

Freehold buildings	5%
Plant and machinery	8 – 20%
Fork lift trucks	20%
Motor vehicles	20% - 33%

Freehold land is not depreciated

Investments

Investments are stated at cost less provisions for any impairment

Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding

Stocks and work in progress

Stocks and work in progress are stated at the lower of average cost, including production overheads and net realisable value Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal Where necessary, provision is made for obsolete or slow moving stock

Taxation

Current tax including UK corporation tax and foreign tax, is provided on amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered Deferred tax assets and liabilities are not discounted

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

1. ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is not discounted.

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 currency are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Pension costs

For defined contribution scheme the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Intangible fixed assets

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on a straight line basis over its useful economic life, estimated at twenty years. Provision is made for any impairment.

2. TURNOVER

Turnover is attributable to one class of business. Revenue is recognised at the point of despatch of goods.

The analysis of turnover by geographical market, required by paragraph 55 of schedule 4 of the Companies Act 1985 has not been provided as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the company.

3 OPERATING PROFIT

	2006	2005
	£	£
Operating profit is stated after charging:		
Depreciation of tangible fixed assets		
Owned assets	140,461	-
Assets held under finance leases and hire purchase contracts	1,865	-
Amortisation of goodwill	83,098	-
Fees payable to the company's auditors for the audit of the company's annual accounts	7,500	-
	<hr/>	<hr/>
Total audit fees	7,500	-
	<hr/>	<hr/>
Tax services	12,750	-
	<hr/>	<hr/>
Total non-audit fees	12,750	-
	<hr/>	<hr/>

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Directors of the company received no emoluments in respect of their service to the company. All remuneration is borne by NV Bekaert SA and it is not practicable to ascertain the proportion of the directors' emoluments that specifically relate to the company.

Staff costs, including directors' emoluments, were as follows:

	2006	2005
	£	£
Wages and salaries	1,314,702	-
Social security costs	95,137	-
Other pension costs	34,566	-
	<u>1,444,405</u>	<u>-</u>

The average monthly number of employees, including executive directors, during the year was:

	2006	2005
	£	£
Production	160	-
Selling and distribution	3	-
Administration	14	-
	<u>177</u>	<u>-</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Bank loans and overdrafts	2,517	-
Interest payable to group companies	355,574	-
	<u>358,091</u>	<u>-</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2006	2005
	£	£
Bank interest	3,475	228
Interest receivable from group companies	21,977	9,187
	<u>25,452</u>	<u>9,415</u>

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

7 TAXATION

a Analysis of charge in year

	2006 £	2005 £
UK corporation tax		
Current tax on income for the year	87,446	763
Adjustments in respect of prior periods	(5,075)	(12,000)
Total UK taxation	82,371	(11,237)
Deferred taxation	(40,792)	
Changes in deferred tax balances arising from	-	-
Origination or reversal of timing differences	-	-
Total tax charge	41,579	(11,237)

Factors affecting the tax

The tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK of 30%. The differences are explained below

	2006 £	2005 £
Profit on ordinary activities before tax	455,778	9,415
Profit on ordinary activities multiplied by the standard rate of corporation tax of 30%	136,734	2,825
Effects of		
Expenses not deductible for tax purposes	25,690	-
Capital allowances in excess of depreciation	(22,100)	-
Amortisation of intangible asset not deductible	24,929	-
Group relief	(97,830)	(2,062)
Tax losses not recognised	(5,708)	-
Short term timing differences	1,795	-
Losses available for carry forward	23,936	-
Prior year adjustment	(5,075)	(12,000)
Current tax charge for year	82,371	(11,237)

A change in the corporation tax rate for future accounting periods from 30% to 28% was announced after the balance sheet date. This change in tax legislation has now been substantially enacted and will come into effect from 1 April 2008.

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

8. GOODWILL

	Purchase of Trade and Assets £
Cost	
At 1 January 2006	-
Acquired during the year (note 10)	6,572,902
Transferred from investments (note 10)	74,948
	<u>6,647,850</u>
At 31 December 2006	<u>6,647,850</u>
Provisions	
At 1 January 2006	-
Provided during the year	83,098
	<u>83,098</u>
At 31 December 2006	<u>83,098</u>
Net book amount	
At 31 December 2006	<u>6,564,752</u>
At 31 December 2005	<u>-</u>

9 TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Assets under construction £	Total £
Cost					
At 1 January 2006	-	-	-	-	-
Acquired on acquisition	-	3,787,922	33,989	341,198	4,163,109
Additions	13,470	223,698	-	595,587	832,755
At 31 December 2006	<u>13,470</u>	<u>4,011,620</u>	<u>33,989</u>	<u>936,785</u>	<u>4,995,864</u>
Accumulated depreciation					
At 1 January 2006	-	-	-	-	-
Charge for the year	226	133,200	8,900	-	142,326
At 31 December 2006	<u>226</u>	<u>133,200</u>	<u>8,900</u>	<u>-</u>	<u>142,326</u>
Net book amount					
At 31 December 2006	<u>13,244</u>	<u>3,878,420</u>	<u>25,089</u>	<u>936,785</u>	<u>4,853,538</u>
At 31 December 2005	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Included in land and buildings is land amounting to £nil (2005 £nil) which is not depreciated

The net book amounts of assets held under finance lease or hire purchase contracts included above were

	2006 £	2005 £
Plant and machinery	<u>43,496</u>	<u>-</u>

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

10. FIXED ASSETS INVESTMENTS

	Shares in subsidiary undertakings £
Cost	
At 1 January 2006	-
Acquired during the year	10,462,117
Pre-acquisition reserves	(8,422,002)
Transferred to goodwill	(74,948)
	<hr/>
At 31 December 2006	1,965,167
Net book amount	
At 31 December 2006	<hr/> 1,965,167 <hr/>
At 31 December 2005	<hr/> - <hr/>

The subsidiary undertakings are as follows

	Class of share capital held	Proportion of share capital held	Nature of business
Lane Brothers Engineering Industries	Ordinary £1 shares	100%	Dormant
Barnards Limited	Ordinary £1 shares	100%	Dormant
Ryelands-Whitecross Limited	Ordinary £1 shares	100%	Dormant

The investment in Ryelands-Whitecross was fully impaired as at 31 December 2005 and 31 December 2006. The company also had a 50% indirect interest in European Bridge Wire Limited through its holding in Ryelands-Whitecross Limited (both of which are dormant).

Acquisition of share capital of Lane Brothers Engineering Industries (formerly Lane Brothers Engineering Industries Limited)

On 28 April 2006 Cold Drawn Products Limited (formerly Barnards Limited) acquired the share capital of Lane Brothers Engineering Industries Limited at fair value.

The value of goodwill was increased by £74,948 at the end of the year to reflect the impairment in the value of the investment held in Lane Brothers Engineering Industries Limited.

Trading results prior to acquisition

In accordance with the provisions of FRS 6, the acquisition of trade and assets of Barnards Unlimited (formerly Barnards Limited) was deemed to be a material acquisition. The company's summarised trading results for the last full financial year before the acquisition occurred are detailed below.

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

10. FIXED ASSETS INVESTMENTS (continued)

Acquisition of trade and assets of Barnards Unlimited (formerly Barnards Limited)

On 3 October 2006 the company completed the acquisition of the trade and assets and liabilities of Barnards Unlimited (formerly Barnards Limited). The assets and liabilities purchase plus the consideration paid were as follows

	Book Value £	Fair Value Adjustments £	Provisional Fair Value £
Tangible fixed assets	4,163,109	-	4,163,109
Stock	1,790,488	-	1,790,488
Trade debtors	2,577,281	-	2,577,281
Inter group debtors	4,352	-	4,352
Other debtors	26,180	-	26,180
Cash at hand and in hand	842,361	-	842,361
Trade creditors	(2,788,059)	-	(2,788,059)
Inter group creditors	(979,425)	-	(979,425)
Deferred taxation	(560,712)	-	(560,712)
Other creditors	(1,186,360)	-	(1,186,360)
	<u>3,889,215</u>		<u>3,889,215</u>
Less cost of acquisition			<u>(10,462,117)</u>
Goodwill			<u>(6,572,902)</u>

	Period ended 3 October 2006
Turnover	15,843,434
Operating profit	<u>2,494,003</u>
Loss on sale of tangible fixed assets	(69,480)
Profit on sale of trade and assets	6,572,902
Profit before taxation	<u>8,970,155</u>
Taxation	<u>735,300</u>
	<u>Year ended 31 December 2005</u>
Profit after taxation	<u>20,652</u>

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

11 STOCKS

	2006	2005
	£	£
Raw materials	680,767	-
Work-in-progress	728,416	-
Finished goods	576,312	-
Spare parts	64,614	-
	<u>2,050,109</u>	<u>-</u>

12 DEBTORS

	2006	2005
	£	£
Due within one year		
Trade debtors	2,240,344	-
Amounts owed by group companies	-	215,153
Other debtors	300,013	-
	<u>2,540,357</u>	<u>215,153</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Bank loans and overdrafts (note 15)	147,316	-
Trade creditors	3,469,344	-
Amount owed to group undertakings	11,066,587	-
Corporation tax	332,660	763
Other taxes and social security	174,418	-
Net obligations under finance leases and hire purchase contracts	16,275	-
Other creditors	519,054	-
	<u>15,725,654</u>	<u>763</u>

Finance lease and hire purchase creditors are secured on the assets concerned

Some suppliers include in their conditions of sale a clause under which title to the goods supplied is reserved until the goods are paid for. These goods are included in stock.

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2006	2005
	£	£
Net obligations under finance lease and hire purchase contracts	<u>16,275</u>	<u>-</u>

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

15. LOANS

Loans fall due for payment as follows

	2006 £	2005 £
Bank loans		
Within one year	147,316	-
Between one and two years	-	-
Between two and five years	-	-
	<u>147,316</u>	<u>-</u>

A 5-year fixed term loan, repayable in 60 monthly instalments at an interest rate calculated at Lloyds Bank base rate plus 0.925%, and due to mature in August 2007, is included above at a value of £67,984. The balance is short-term overdraft.

16. FINANCE LEASES

Net obligations under finance leases and hire purchase agreements

	2006 £	2005 £
Within one year	16,275	-
Between one and five years	16,275	-
	<u>32,550</u>	<u>-</u>

Finance lease and hire purchase creditors are secured on the assets concerned.

17. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 January 2006	
Acquired on acquisition	560,712
Charged to profit and loss account	<u>(40,792)</u>
At 31 December 2006	<u>519,920</u>

At the end of the current and previous year the company had no unprovided deferred tax liabilities. At the end of the year the company had an unrecognised deferred tax asset of £23,936 (2005: £nil). In addition the company had capital losses available for carry forward at the year end of £9,772,000 (2005: £nil).

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

18. CALLED UP SHARE CAPITAL

	Authorised Ordinary £1 shares £	Allotted, called up and fully paid Ordinary shares £1 shares No.	£
At 1 January 2006	100,000	95,271	95,271
Issued during the year	4,900,000	2,000,000	2,000,000
At 31 December 2006	5,000,000	2,095,271	2,095,271

During the year the company allotted 2,000,000 ordinary shares with a nominal value of £2,000,000 at par in connection with the acquisition of Barnards Ltd (formerly Cold Drawn Products Ltd)

19. RESERVES

	Profit and loss account £
At 1 January 2006	119,119
Profit for the year	414,199
At 31 December 2006	533,318

20. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2006 £	2005 £
Shareholders' funds at 1 January 2006	214,390	193,738
Issue of share capital during the year	2,000,000	-
Profit for the year	414,199	20,652
Closing equity shareholders' funds	2,628,589	214,390

21. FINANCIAL COMMITMENTS

The company had no known contingent liabilities at 31 December 2006 (2005 nil)

22. TRANSACTIONS WITH RELATED PARTIES

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures," not to disclose transactions with member of the group headed by NV Bekaert SA on the grounds that at least 90% of the voting rights in the company are controlled within that group, and the company is included in consolidated financial statements

On 28 April 2006, Lane Brothers Engineering Industries Limited, then the parent of Cold Drawn Products Limited, was sold to Barnards limited N M Lane and I P Lane, up to that time directors of Cold Drawn Products Limited, were beneficiaries of that sale as shareholders.

Land and building at Scholes, Cleckheaton and Low Moor, Bradford were sold by Barnards Unlimited (formerly Cold Drawn Products Limited), a subsidiary company of Cold Drawn Products Limited, to Lane Properties Yorkshire LLP, of which NM Allen and I P Lane are the sole partners, for £3,700,000 Rent payable by this company to Lane Properties LLP, in the period from 3 October to 31 December, and charged in the accounts, was £88,100 At the year end the amount included in prepayments was £51,333 (2005 £nil)

COLD DRAWN PRODUCTS LIMITED (formerly Barnards Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

23. PENSION COSTS

The company contributes to a number of defined contribution schemes. The assets of these schemes are held separately from those of the company in independently administered funds. Contributions paid to the scheme amounted to £34,566 (2005- nil)

At the year end, contributions included within creditors totalled £4,733 (2005 £43,135)

24. PARENT UNDERTAKING AND CONTROLLING PARTIES

The immediate and ultimate parent company, and ultimate controlling party of the group of undertakings for which group accounts are drawn up and of which the company is a member, is NV Bekaert SA, a company incorporated in Belgium. Copies of NV Bekaert SA accounts can be obtained from NV Bekaert SA, Corporate Communications, President Kennedy Park 18, BE-8500 Kortrijk, Belgium