

205423

North Safety Products Limited

Report and Accounts

31 December 2004



North Safety Products Limited

Registered No: 205423

Directors

R Peterson

D Myers

Secretary

J Rouwendal

Auditors

Ernst & Young LLP

1 More London Place

London

SE1 2AF

Registered office

The Courtyard

Green Lane

Heywood

Lancashire

OL10 2EX

Directors' report

The directors present their report and the accounts for the year ended 31 December 2004.

Principal activity

The company did not trade in the year.

Future developments

The directors intend to transfer the assets and liabilities of North Safety Products Limited to North Safety Products (Europe) B.V., a group undertaking registered in the Netherlands, and liquidate the company in the foreseeable future. On this basis, the directors do not consider the company to be a going concern and have therefore prepared the accounts on a break-up basis.

Directors and their interests

The directors during the year were as follows:

R Peterson
D Myers

No directors had any interests in the share capital of the company at the year end.

Auditors

A resolution to re-appoint Ernst & Young LLP as the company's auditors will be put to the Annual General Meeting.

Small company provisions

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

On behalf of the board



Director

30 JAN 2006

Statement of directors' responsibilities in respect of the accounts

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts 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 accounts 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 North Safety Products Limited

We have audited the company's accounts for the year ended 31 December 2004 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 10. These accounts have been prepared on the basis of the accounting policies set out therein and with the Financial Reporting Standard for Small Entities.

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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 accounts, 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Independent auditors' report

to the members of North Safety Products Limited (continued)

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
London

30 January 2006

Profit and loss account

for the year ended 31 December 2004

	<i>Notes</i>	<i>2004</i> <i>£000</i>	<i>2003</i> <i>£000</i>
Administrative costs		(4)	—
Operating loss	3	(4)	—
Interest payable and similar charges	4	(3)	—
Intercompany loan waiver		—	5,793
(Loss)/profit on ordinary activities before taxation		(7)	5,793
Tax on (loss)/profit on ordinary activities		—	3
(Loss)/profit for the financial year	8	(7)	5,796


Balance sheet

at 31 December 2004

	Notes	2004 £000	2003 £000
Creditors: amounts falling due within one year	5	(56)	(49)
Net current liabilities		(56)	(49)
Provisions for liabilities and charges	6	(230)	(230)
		(286)	(279)
Capital and reserves			
Called up share capital	7	11,698	11,698
Share premium account		1,309	1,309
Profit and loss account	8	(13,293)	(13,286)
Equity shareholders' funds		(286)	(279)

The accounts have been prepared in accordance with the special provisions under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the board on:



Director

30 JAN 2006

Notes to the accounts

at 31 December 2004

1. Fundamental accounting concept

The accounts have been prepared on a break up basis as the directors intend to transfer the assets and liabilities of the company to North Safety Products (Europe) B.V. in the foreseeable future. Until the company is liquidated, Norcross Safety Products LLC, the ultimate parent undertaking, has stated its intention to provide the company with sufficient funds to meet its liabilities as they fall due.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared on a break up basis reflecting the directors' intention to liquidate the company in the foreseeable future. Accordingly, adjustments have been made to reduce the carrying value of assets to their estimated realisable amounts to provide for any further liabilities which may arise and to reclassify long term liabilities as current liabilities.

Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard 1 (revised) to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Norcross Safety Products LLC, which publishes consolidated accounts including the company.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

3. Operating loss

Operating loss is stated after charging:

	2004	2003
	£000	£000
Directors' emoluments	—	—

The audit fee will be paid by Norcross Safety Products LLC, the ultimate parent undertaking.

4. Interest payable and similar charges

	2004	2003
	£000	£000
Interest Inland Revenue	3	—

Notes to the accounts

at 31 December 2004

5. Creditors: amounts falling due within one year

	2004 £000	2003 £000
Amounts owed to parent and fellow subsidiary undertakings	56	7
Current corporation tax	—	42
	<u>56</u>	<u>49</u>

6. Provisions for liabilities and charges

	<i>Restructuring provision £000</i>
At 1 January 2004 and 31 December 2004	230

7. Share capital

	2004 No.	2003 No.	2004 £000	2003 £000
<i>Authorised:</i>				
Ordinary shares of £0.20 each	60,000,000	60,000,000	12,000	12,000
<i>Allotted called up and fully paid:</i>				
Ordinary shares of £0.20 each	58,492,364	58,492,364	11,698	11,698

8. Reserve movements

	<i>Profit and loss account £000</i>
At 1 January 2004	(13,286)
Loss for the year	(7)
At 31 December 2004	<u>(13,293)</u>

9. Related parties

As the company is a wholly owned subsidiary of Norcross Safety Products LLC, the company has taken advantage of certain exemptions contained within Financial Reporting Standard No. 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

There were no other related party transactions requiring disclosure.

Notes to the accounts

at 31 December 2004

10. Parent undertaking and controlling party

The whole of the issued share capital is owned by North Safety Products Inc., a company incorporated in the United States of America.

The ultimate parent undertaking and controlling party is Norcross Safety Products LLC, a company incorporated in the United States of America. The largest and smallest group in which the results of North Safety Products Limited are consolidated is the group that is headed by Norcross Safety Products LLC.

Copies of the group accounts are available from 2211 York Road, Suite 215, Oak Brook, Illinois, 60523-2371 USA.