

COMPANY REGISTRATION NUMBER 356992

ACRE MILLS (UK) LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009

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ACRE MILLS (UK) LIMITED

ACCOUNTS

YEAR ENDED 31 MARCH 2009

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ACRE MILLS (UK) LIMITED

COMPANY INFORMATION

The board of directors

Mr E Cook
Mr D K Rothery
Mr I Williamson

Company secretary

Mr E Cook

Registered office

Springstone House
PO Box 88
27 Dewsbury Road
Ossett
WF5 9WS

Auditor

KPMG Audit Plc
Registered Auditors
Leeds

ACRE MILLS (UK) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2009

The directors have pleasure in presenting their report and the accounts of the company for the year ended 31 March 2009.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal activity was the manufacture of speciality wire for use in the textile, automotive and stationery industries. This business was sold on 14 September 2001 and the company has not traded since then.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £163,445 (2008 - £204,802). The directors have not recommended a dividend (2008 - £nil).

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE PARENT COMPANY

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

	At 31 March 2009	At 1 April 2008
Mr E Cook	47,865	47,865
Mr D K Rothery	-	-
Mr I Williamson	<u>504,223</u>	<u>497,323</u>

No director had any beneficial interest in the shares of the company.

The directors have also been granted options in the shares of the parent company as follows:

	Options held 1 Apr 2008	Granted in period	Lapsed in period	Exercised in period	Options held 31 Mar 2009
Mr E Cook	244,000	34,000	-	-	278,000
Mr D K Rothery	111,000	18,000	-	-	129,000
Mr I Williamson	781,000	129,000	-	-	910,000

DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each 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.

ACRE MILLS (UK) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2009

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

Registered office:
Springstone House
PO Box 88
27 Dewsbury Road
Ossett
WF5 9WS

Signed by order of the directors



MR E COOK
Company Secretary

Approved by the directors on 25 January 2010

ACRE MILLS (UK) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2009

The directors are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts are required by law to 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 these accounts, 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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 SHAREHOLDERS OF ACRE MILLS (UK) LIMITED

YEAR ENDED 31 MARCH 2009

We have audited the accounts of Acre Mills (UK) Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, Balance Sheet and the related notes. These accounts have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 4.

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

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

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 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 SHAREHOLDERS OF ACRE
MILLS (UK) LIMITED** *(continued)*

YEAR ENDED 31 MARCH 2009

OPINION

In our opinion:

- the accounts 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 March 2009 and of its profit for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.



KPMG AUDIT PLC
Registered Auditors
Leeds

25 January 2010

ACRE MILLS (UK) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2009

	Note	2009 £	2008 £
TURNOVER		—	—
OPERATING PROFIT		—	—
Interest receivable	3	218,880	292,574
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		218,880	292,574
Tax on profit on ordinary activities	4	(55,435)	(87,772)
PROFIT FOR THE FINANCIAL YEAR		<u>163,445</u>	<u>204,802</u>

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

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

The notes on pages 9 to 11 form part of these accounts.

ACRE MILLS (UK) LIMITED

BALANCE SHEET

31 MARCH 2009

	Note	2009 £	2008 £
CURRENT ASSETS			
Debtors	5	4,744,637	4,607,678
CREDITORS: Amounts falling due within one year	6	(61,286)	(87,772)
NET CURRENT ASSETS		<u>4,683,351</u>	<u>4,519,906</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,683,351</u>	<u>4,519,906</u>
CAPITAL AND RESERVES			
Called-up share capital	7	4,400,000	4,400,000
Profit and loss account	8	283,351	119,906
SHAREHOLDERS' FUNDS	9	<u>4,683,351</u>	<u>4,519,906</u>

These accounts were approved by the directors and authorised for issue on 25 January 2010, and are signed on their behalf by:



Mr E Cook
Director

The notes on pages 9 to 11 form part of these accounts.

ACRE MILLS (UK) LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES

Basis of accounting

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

Cash flow statement

As permitted by FRS 1 (revised 1996) - 'Cash Flow Statements', the accounts do not include a cash flow statement on the grounds that the company is a wholly owned subsidiary undertaking and the ultimate holding company includes the company in its own published consolidated accounts.

Related party transactions

The company has taken advantage of the exemption to FRS 8 from disclosing transactions with related parties that are subsidiaries of Carclo plc.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. OPERATING PROFIT

No salaries or wages have been paid to employees, including the directors, during the year (2008 - £nil). The company has no employees (2008 - nil).

The audit fee of £100 (2008 - £100) was charged to and paid by the holding company, Carclo plc.

3. INTEREST RECEIVABLE

	2009 £	2008 £
Interest from group undertakings	<u>218,880</u>	<u>292,574</u>

4. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009 £	2008 £
Current tax:		
UK Corporation tax based on the results for the year	61,286	87,772
Adjustments in respect of prior years	<u>(5,851)</u>	<u>-</u>
Total current tax	<u>55,435</u>	<u>87,772</u>

ACRE MILLS (UK) LIMITED

NOTES TO THE ACCOUNTS *(continued)*

YEAR ENDED 31 MARCH 2009

4. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 - 30%).

The reasons are as follows:

	2009 £	2008 £
Profit on ordinary activities before taxation	<u>218,880</u>	<u>292,574</u>
Profit on ordinary activities by rate of tax	61,286	87,772
Prior year adjustment	(5,851)	-
Total current tax (note 4(a))	<u>55,435</u>	<u>87,772</u>

5. DEBTORS

Due within one year

	2009 £	2008 £
Amounts owed by group undertakings	<u>4,744,637</u>	<u>4,607,678</u>

Amounts owed by group undertakings attract interest at the rate of LIBOR + 1%, are unsecured and are repayable on demand.

6. CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Corporation tax	<u>61,286</u>	<u>87,772</u>

7. SHARE CAPITAL

Authorised share capital:

	2009 £	2008 £
4,400,000 Ordinary shares of £1 each	<u>4,400,000</u>	<u>4,400,000</u>

Allotted, called up and fully paid:

	2009 No	£	2008 No	£
Ordinary shares of £1 each	<u>4,400,000</u>	<u>4,400,000</u>	<u>4,400,000</u>	<u>4,400,000</u>

ACRE MILLS (UK) LIMITED

NOTES TO THE ACCOUNTS *(continued)*

YEAR ENDED 31 MARCH 2009

8. PROFIT AND LOSS ACCOUNT

	2009	2008
	£	£
Balance brought forward	119,906	(84,896)
Profit for the financial year	163,445	204,802
Balance carried forward	<u>283,351</u>	<u>119,906</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Profit for the financial year	163,445	204,802
Opening shareholders' funds	<u>4,519,906</u>	<u>4,315,104</u>
Closing shareholders' funds	<u>4,683,351</u>	<u>4,519,906</u>

10. ULTIMATE PARENT COMPANY

The 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 Carclo plc. Copies of Carclo plc's accounts can be obtained from Springstone House, 27 Dewsbury Road, Ossett, WF5 9WS.