John Pring & Son Limited

Annual report

for the year ended 30 November 2002

Registered Number 531525

John Pring & Son Limited

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for the year ended 30 November 2002

Contents

John Pring & Son Limited

Directors and Advisors for the year ended 30 November 2002

Directors
J Downes (Chairman)
K A Croker (Managing director)
E C Jett
C M Wilson
J Stanaway
A Silva

Joint Secretary
C M Wilson and E C Jett

Auditors
PricewaterhouseCoopers LLP
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Solicitors
Bracher Rawlins
180 Fleet Street
London
EC4A 2HG

Bankers
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London
SW1A 1QA

Registered Office
180 Fleet Street
London
EC4A 2HG

Registered Number
531525

John Pring & Son Limited

Directors' report for the year ended 30 November 2002

The directors present their report and the audited financial statements for the year ended 30 November 2002.

Principal activities
The main activities of the company are unchanged since last year, and are principally the drawing of mild steel and the manufacture of bale ties.

Review of business and future developments
Throughout 2002 Pring has taken every opportunity to increase profitable sales in all areas and we have further expanded our international sales throughout the world cotton market with our jamlock bale tie product.

Certainly one of the highlights of the year, and a steel industry first, was winning the UK's highest award for Customer Service Excellence, the Unisys/Management Today Service Excellence Award 2002, Manufacturing Section.

Pring is the first ever steel industry business to win this prestigious award and it is a tremendous tribute to everyone at Pring and indeed our Parent Company Leggett & Platt Incorporated, Missouri, USA.

We are the only steel business in the world to hold BS EN ISO 9001/2000, Investors In People and the Unisys Service Excellence Award.

There have been several increases in raw material costs, predominately rods, throughout the year but Pring has once again shown its ability to change quickly, taking the entire workforce with us, to negate these effects through internal cost down initiatives and superior Customer Service, enabling us to retain existing business whilst winning new business at home and worldwide. The manufacturing recession has taken its toll throughout our sector with the closure of ASW during 2002 and the latest crisis in Corus. We continue to expand our supplier base to ensure continuity in all our key inputs.

All of our key performance indicator targets have been met or exceeded and we continue to rigorously implement our chosen strategy. Earnings continue to increase in line with expectations and we remain focussed on continuing our profitable growth in all product areas.

Further capital investment throughout 2002 in machinery and other areas of the Company has enabled us to increase efficiencies as well as increase production output to meet the increased sales.

Despite the continuing difficulties and further closures throughout the UK wire and steel industry, Pring remains as strong as ever with both a committed and experienced management team and a flexible and multiskilled workforce, ideally positioned to take full advantage of any upturn as it occurs.

The financial position of the Company at the end of the period was satisfactory.

Dividends and transfers to reserves
The directors do not recommend the payment of a dividend (2001: £Nil) in respect of the year ended 30 November 2002. The retained loss for the year of £115,956 will be transferred from reserves.

Directors and their interests
The directors who served during the year are given below.

J Downes	(Chairman)
K A Croker	(Managing director)
E C Jett	
C M Wilson	
J Stanaway	(appointed 1 January 2002)
A Silva	(appointed 1 January 2003)

John Pring & Son Limited

Directors' report (continued)

At no time did the directors have any interests in the shares of the company or any other company or associated company of the Leggett and Platt Group, except for options over shares of the ultimate parent company, Leggett and Platt Incorporated, as set out below.

Number of options

	At 1.12.01	Granted	Exercised	At 30.11.02	Option Price US$
K Croker	2,600	-	866	1,734	20.00
	1,200	-	-	1,200	17.69
	-	1,000	-	1,000	22.30
C Wilson	1,150	-	-	1,150	20.00
	250	-	-	250	17.69
	-	200	-	200	22.30
J Stanaway	325	-	-	325	17.69
	-	450	-	450	22.30

The middle market price of Leggett and Platt Incorporated ordinary shares on the last day of trading in 2002 was $23.87 (2001: $21.64.). The range during the year was $18.60 (low) and $27.40 (high).

Directors' interests in contracts
Apart from contracts of employment, none of the directors had a beneficial interest in any contract to which the company was a party during the financial period.

Statement of directors' responsibilities
Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 November 2002 and that applicable accounting standards have been followed.

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 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.

Charitable contributions
Charitable contributions amounted to £96 (2001: £55).

By order of the board

C M Wilson
Company secretary
12 May 2003

John Pring & Son Limited

Independent auditors' report to the members of John Pring & Son Limited

We have audited the financial statements which comprise the profit and loss account, the note of historical profits and losses, the reconciliation of shareholders funds, the balance sheet, the statement of total recognised gains and losses, the statement of accounting policies and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 if, in our opinion, the directors' report is not consistent with the financial statements, 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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit opinion

We conducted our audit in accordance with 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 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 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 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 of the state of the company's affairs at 30 November 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Manchester
12 May 2003

John Pring & Son Limited

Profit and loss account for the year ended 30 November 2002

	Note	Year ended 30 November 2002 £	11 months ended 30 November 2001 Restated £
Turnover	2	**4,868,603**	5,814,743
Cost of sales		**4,047,223**	4,652,116
Gross profit		**821,380**	1,162,627
Net operating expenses	3	**1,026,793**	1,205,008
Operating loss	4	**(205,413)**	(42,381)
Interest receivable	5	**6,581**	3,123
Loss on ordinary activities before taxation		**(198,832)**	(39,258)
Tax on profit on ordinary activities	6	**82,876**	(11,214)
Loss on ordinary activities after taxation		**(115,956)**	(50,472)
Dividends – including non-equity		-	-
Retained loss	18	**(115,956)**	(50,472)

All amounts above relate to continuing operations.

John Pring & Son Limited

Note of historical cost profits and losses

	Year ended 30 November 2002 £	11 months ended 30 November 2001 Restated £
Reported loss on ordinary activities before taxation	**(198,832)**	(39,258)
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	**4,433**	4,903
Historical cost loss on ordinary activities before taxation	**(194,399)**	(34,355)
Historical cost retained loss for the year	**(111,523)**	(45,569)

Reconciliation of movements in shareholders' funds

	Year ended 30 November 2002 £	11 months ended 30 November 2001 Restated £
Loss on ordinary activities after taxation	**(115,956)**	(50,472)
Dividends	**-**	-
Net decrease shareholders' funds	**(115,956)**	(50,472)
Opening shareholders' funds (previously £938,795 before deducting prior period adjustment of £45,188)	**893,607**	944,079
Closing shareholders' funds	**777,651**	893,607

Statement of total recognised gains and losses for the year ended 30 November 2002

	Year ended 30 November 2002 £	11 months ended 30 November 2001 Restated £
Loss for the year	**(115,956)**	(50,472)
Total recognised losses for the year	**(115,956)**	(50,472)
Prior period adjustment	**(45,188)**	
Total losses recognised since last accounts	**(161,144)**	

John Pring & Son Limited

Balance sheet as at 30 November 2002

	Note	2002 £	2001 Restated £
Fixed assets			
Tangible fixed assets	9	**1,137,678**	1,232,668
Current assets			
Stocks	10	**512,860**	464,513
Debtors	11	**1,498,984**	1,546,365
Cash at bank and in hand		**338,439**	116,126
		2,350,283	2,127,004
Creditors: amounts falling due within one year	12	**(1,348,475)**	(1,103,170)
Net current assets		**1,001,808**	1,023,834
Total assets less current liabilities		**2,139,486**	2,256,502
Creditors: amounts falling due after one year	13	**(1,257,435)**	(1,257,435)
Provisions for liabilities and charges	15	**(104,400)**	(105,460)
Net assets		**777,651**	893,607
Capital and reserves			
Called up share capital	17	**16,739**	16,739
Revaluation reserve	18	**294,285**	298,718
Profit and loss account	18	**466,627**	578,150
Equity shareholders' funds		**777,651**	893,607

The financial statements on pages 5 to 20 were approved by the board of directors on 12 May 2003 and were signed on its behalf by:

Kevin A Croker

K A Croker
Director

John Pring & Son Limited

Accounting policies

The financial statements are prepared in accordance with the historical cost convention, as modified by the revaluation of certain fixed assets, the accounting policies set out below and in accordance with applicable accounting standards.

The Company has adopted the new financial reporting standards FRS 19 ("Deferred Tax").

The financial statements have been restated to comply with FRS 19. Details of the policy are set out below and note 1 describes the effect of the restatement on the previously reported results for the period to 30 November 2001.

A summary of the major accounting policies, which have been consistently applied (except for the changes referred to above), is set out below.

Turnover
Turnover represents invoiced sales, recognised on despatch, net of trade discounts and value added tax to third parties.

Fixed assets and depreciation
As permitted by FRS15, the company has adopted a policy of not revaluing its freehold land and buildings. Under the transitional provisions of FRS15, previously revalued freehold land and buildings are included at their valuation at October 1994, less depreciation.

The cost of the tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost or valuation of fixed assets over their expected useful lives on a straight line basis. The principal annual rates used for this purpose, which are consistent with those of the previous year, are as follows:

	%
Freehold buildings and long leasehold land and buildings	2-7
Plant and equipment	8 – 20
Computers	20-33$^{1/3}$
Fixtures and fittings	10

No depreciation has been provided on freehold land.

Deferred taxation
Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the company's taxable profits and its accounting profits arising from gains and losses recognised in tax assessments in periods different from those in which they are recognised in the financial statements.

The deferred tax assets and liabilities are not discounted.

Stock and work in progress
Stock and work in progress are stated at the lower of cost and net realisable value after making provision against obsolete and slow moving items. Cost is determined on a first in first out basis and comprises direct material cost, direct labour cost and attributable production overheads. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation and, where appropriate, the cost of conversion from their existing state to a finished condition.

Development expenditure
Development expenditure is written off as incurred.

Foreign currencies
Assets and liabilities are translated to sterling at the rates of exchange ruling at the balance sheet date. Transactions are translated at the rate ruling at the date of the transaction. Differences arising from trading transactions are included in operating profit.

Pension costs
Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the company benefits from employees' services. The effects of variations from regular cost are spread over the expected average remaining working lifetime of members of the company's pension scheme.

The FRS 17 ("Retirement Benefits") has an extended transitional period during which certain disclosures will be required in the notes to the financial statements, these disclosures are shown in note 16.

Operating leases
Operating leases rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Cash flow statement
The directors have taken advantage of the exemption in FRS1 (Revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent company publishes a consolidated cash flow statement.

Notes to the financial statements for the year ended 30 November 2002

1 Change in accounting policy

In December 2000, the Accounting Standards Board issued FRS 19 on Deferred Tax.

FRS 19 has been adopted in the accounts, and because of the change in policy, brought about by the introduction of this standard, a prior year adjustment has been made and the comparative figures have been restated accordingly. (See notes 15 and 18).

The effect of the change in accounting policy to adopt FRS 19 was to decrease tax on profit on ordinary activities by £1,060 (2001increase £13,000) and the increase profit for the financial year by £1,060 (2001 £ decrease £13,000).

2 Turnover

The geographical analysis of turnover, which represents sales of wire products, was:

	Year ended 30 November 2002 £	11 months ended 30 November 2001 £
Geographical segment		
United Kingdom	**3,603,384**	4,306,693
Other EC countries	**571,884**	761,209
Africa	**459,300**	561,538
Rest of world	**234,035**	185,303
	4,868,603	5,814,743

3 Net operating expenses

	Year ended 30 November 2002 £	11 months ended 30 November 2001 £
Selling and distribution costs	625,075	698,376
Administrative expenses	401,718	506,632
	1,026,793	1,205,008

4 Operating loss

	Year ended 30 November 2002 £	11 months ended 30 November 2001 £
Operating loss is stated after charging:		
Depreciation of tangible owned fixed assets	**148,950**	131,016
Loss on disposal of fixed assets	**-**	983
Auditors' remuneration:		
Audit	**11,800**	10,600
Non-audit	**300**	300
Exchange (gains)/losses	**(22,188)**	1,291
Hire of plant and machinery – operating leases	**32,564**	29,374
Hire of other assets – operating leases	**30,036**	29,060

5 Interest receivable

	Year ended 30 November 2002 £	11 months ended 30 November 2001 £
Bank	**1,734**	3,123
Other	**4,847**	-
	6,581	3,123

6 Tax on loss on ordinary activities

	Year ended 30 November 2002 £	11 months ended 30 November 2001 Restated £
United Kingdom corporation tax at 30% (2001: 30%):		
Current	**(64,000)**	-
Deferred tax	**(1,060)**	13,000
Over provision in respect of prior years:		
Current	**(17,816)**	(1,786)
	(82,876)	(11,214)

6 Tax on profit on ordinary activities (continued)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	Year ended 30 November 2002 £	11 months ended 30 November 2001 £
Loss on ordinary activities before tax	(198,832)	(39,258)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2001:30%)	(59,650)	(11,777)
Effects of :		
Adjustments to tax in respect of prior periods	(17,816)	(1,786)
Expenses not deductible for tax purposes	600	1,956
Depreciation in excess of capital allowances	1,060	9,749
Movement on other timing differences	-	72
Current tax charge for the year	(75,806)	(1,786)

7 Directors' emoluments

	Year ended 30 November 2002 £	11 months ended 30 November 2001 £
Total emoluments (excluding pension contributions and including benefits in kind)	175,706	149,705
Compensation for loss of office	-	18,653
	175,706	168,358

Three of the directors participated in the company's defined benefit pension scheme. The emoluments of the Chairman were paid by Leggett & Platt Incorporated for his services to that company.

8 Employee information

The average number of persons (including executive directors) employed during the year was:

	Year ended 30 November 2002 Number	11 months ended 30 November 2001 Number
Production	42	48
Selling and distribution	8	10
Administration	5	6
	55	64

Employment costs (including executive directors):

	Year ended 30 November 2002 £	11 months ended 30 November 2001 £
Aggregate gross wages and salaries	1,037,939	1,190,577
Social security costs	75,039	95,416
Other pension costs	85,191	83,915
	1,198,169	1,369,908

9 Tangible fixed assets

	Freehold land and buildings	Plant, machinery and motor vehicles	Fixtures, fittings and tools	Total
	£	£	£	£
Cost or valuation				
At 1 December 2001	498,586	2,044,873	86,976	2,630,435
Additions	-	40,492	13,468	53,960
Disposals	-	(9,036)	-	(9,036)
At 30 November 2002	**498,586**	**2,076,329**	**100,444**	**2,675,359**
Depreciation				
At 1 December 2001	55,163	1,296,951	45,653	1,397,767
Charge for year	9,012	125,215	14,723	148,950
Disposals	-	(9,036)	-	(9,036)
At 30 November 2002	**64,175**	**1,413,130**	**60,376**	**1,537,681**
Net book value				
At 30 November 2002	**434,411**	**663,199**	**40,068**	**1,137,678**
At 30 November 2001	443,423	747,922	41,323	1,232,668

Cost or valuation at 30 November 2002 is represented by:

	Freehold land and buildings	**Plant, machinery and motor vehicles**	**Fixtures, fittings and tools**	**Total**
	£	**£**	**£**	**£**
Valuation at 31 October 1994	480,000	-	-	480,000
Cost	18,586	2,076,329	100,444	2,195,359
	498,586	**2,076,329**	**100,444**	**2,675,359**

No depreciation has been provided on land (at valuation) £132,000 (2001: £132,000).

The transitional provisions of FRS15 are being followed and as such the company has adopted a policy of not revaluing freehold land and buildings. Previously revalued freehold land and buildings are included at their valuation at October 1994, less depreciation.

On the historical cost basis the freehold land and buildings, carried at net book value of £434,411 (2001: £443,423), is £139,114 (2001: £143,547). This comprises cost of £192,360 (2001: £192,360) and related depreciation of £53,246 (2001: £48,813).

10 Stocks

	2002 £	2001 £
Raw materials and consumables	**319,209**	259,690
Finished goods and goods for resale	**193,651**	204,823
	512,860	464,513

11 Debtors

	2002 £	2001 £
Amounts falling due within one year		
Trade debtors	**1,335,917**	1,412,666
Amounts owed by group undertakings	**13,783**	500
Other debtors	**116,102**	88,365
Prepayments and accrued income	**34,182**	44,834
	1,498,984	1,546,365

12 Creditors: amounts falling due within one year

	2002 £	2001 £
Trade creditors	**1,117,131**	831,219
Amounts owed to group undertakings	**95,068**	107,685
Other taxation and social security payable	**45,044**	64,763
Other creditors	**5,617**	137
Accruals and deferred income	**85,615**	99,366
	1,348,475	1,103,170

Amounts owed to group undertakings have no fixed repayment date and bear no interest.

13 Creditors: amounts falling due after more than one year

	2002 £	2001 £
Amounts owed to holding company	**1,257,435**	1,257,435

Although there are no formal repayment terms, the holding company has confirmed that it will not seek repayment of current account balances amounting to £1,257,435 (2001: £1,257,435).

14 Analysis of lease commitments

At 30 November 2002 the company had annual commitments under non-cancellable operating leases as follows:

	2002		2001	
	Land and buildings	**Other**	Land and buildings	Other
	£	**£**	£	£
Expiring within one year	**-**	**8,142**	-	6,980
Expiring within two to five years	**-**	**71,925**	-	64,880
	-	**80,067**	-	71,860

15 Provisions for liabilities and charges

	2002 Restated
	£
Deferred taxation	
At 1 December 2001	**60,272**
Prior period adjustment	**45,188**
At 1 December 2001 restated	**105,460**
Profit and loss account	**(1,060)**
At 30 November 2002	**104,400**

Analysis of deferred taxation provided in the financial statements is as follows:

	2002	2001
	£	£
Accelerated capital allowances	**104,400**	108,000
Other timing differences	**-**	(2,540)
	104,400	105,460

16 Pension and similar obligations

John Pring & Son Limited Pension Scheme
The company operates a retirement and death benefits plan known as the John Pring & Son Limited Retirement and Death Benefits Plan ('the Plan'). The Plan is of the defined benefits type, ie, where benefits are related to final pensionable salary. John Pring & Son Limited is the principal employer for all purposes relating to the Plan.

The assets of the Plan are held separately from those of the company being invested in an insurance company managed fund. Contributions to the Plan are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation report was in respect of a valuation carried out as at 1 May 2000. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 7.0% per annum and that increases in pensionable salary would average 5.0% per annum. Present and future pensions are assumed to increase at the rate of 3% per annum in respect of members' entitlement to guaranteed minimum pensions. Pensions in excess of guaranteed minimum pensions for works and staff employees are to increase at the rate of 3% per annum in respect of pensionable service prior to 1 November 1993 and at the rate of 5% per annum in respect of pensionable service after this date. Pensions in excess of guaranteed minimum pensions for senior staff are to increase at the rate of 5% per annum.

The pension charge for the year to 30 November 2002 was £85,191 (2001 £83,915). The excess of pension cost charges made in the financial statements over contributions paid to the scheme amounting to £9,089 is included in creditors.

The most recent actuarial valuation showed that the actuarial value of the scheme assets on a continuing valuation basis was £2.236million and that the value of those assets represented 99.8% of the benefits that had accrued to members after allowing for expected future increases in earnings.

FRS 17 retirement benefits
The pension cost is assessed in accordance with the advice of an independent qualified actuary using the projected unit method. The valuation for FRS 17 disclosures has been based on the most recent actuarial valuation of the scheme at 1 May 2000 and updated by Jardine Lloyd Thompson to take account of the requirements of FRS 17 in order to assess the liabilities of the scheme at 30 November 2002. Scheme assets are stated at their market value at 30 November 2002. The major assumptions used by the actuary were:

	At 30 November 2002 %	At 30 November 2001 %
Rate of increase in salaries p.a.	4.25	4.25
Rate of increase in pensions in payment p.a.	2.50	2.50
Discount rate p.a.	5.50	5.75
Inflation assumption p.a.	2.50	2.50

The assets in the scheme and the effective rates of return were:

	Long term rate of return expected at 30 November 2002 %	At 30 November 2002 £	Long term rate of return expected at 30 November 2001 %	At 30 November 2001 £
Equities	7.5	1,915,000	6.75	2,235,000
Bonds	4.75	324,000	5.00	335,000
Other		399,000	-	420,000
Total market value of assets		**2,638,000**		**2,990,000**
Present value of scheme liabilities		3,188,000		2,860,000
(Deficit)/Surplus in the scheme		**(550,000)**		**130,000**
Related deferred tax asset/(liability)		165,000		(39,000)
Net pension (liability)/asset		(385,000)		91,000

If the above amounts had been recognised in the financial statements, the company's net assets and profit and loss reserve at 30 November 2002 would be as follows:

	2002 £	2001 £
Net assets excluding pension asset	757,617	893,607
Pension (liability)/asset	(385,000)	91,000
Net assets including pension asset	**372,617**	**984,607**
Profit and loss reserve excluding pension asset	**446,593**	578,150
Pension reserve	(385,000)	91,000
Profit and loss reserve	61,593	**669,150**

If the above amounts had been recognised in the financial statements the analysis of the amount charged to operating profit would be as follows:

	£
Current service cost	91,000
Past service cost	-
Total operating charge	91,000

Analysis of the amount credited to other finance income

	£
Expected return on pension scheme assets	185,000
Interest on pension scheme liabilities	(164,000)
Net return	21,000

Analysis of amount that would be recognised in statement of total recognised gains and losses (STRGL) under FRS 17

	£
Difference between expected and actual return on assets	(526,000)
Experience losses on liabilities	(15,000)
Changes in assumptions	(145,000)
Net loss recognised	(686,000)

Movement in surplus during the year

	£
Surplus in scheme at beginning of year	130,000
Movement in year:	
Current service cost	(91,000)
Contributions	76,000
Net return on assets	21,000
Actuarial loss	686,000
Deficit in scheme at end of the year	550,000

History of experience gains and losses

	£
Difference between expected and actual return on assets	(526,000)
Experience losses on liabilities	(15,000)
Total amount recognised in statement of total recognised gains and losses	(541,000)

	%
Difference between expected and actual return on assets	19.9
Experience losses on liabilities	0.6
Total amount recognised in statement of total recognised gains and losses	20.5

17 Called up share capital

	2002 £	2001 £
Authorised		
50,000 ordinary shares of £1 each	50,000	**50,000**
Allotted, called up and fully paid		
16,739 ordinary shares of £1 each	16,739	**16,739**

18 Reserves

	Profit and loss account £	Revaluation reserve £
At 1 December 2001	623,338	298,718
Prior period adjustment FRS 19	(45,188)	-
At 1 December 2001 (as restated)	578,150	298,718
Retained loss for the year	(115,956)	-
Transfer from revaluation reserve to profit and loss account	4,433	(4,433)
At 30 November 2002	**466,627**	**294,285**

19 Related party transactions

The company has taken advantage of the exemption allowed under FRS 8, "Related party disclosures", not to disclose related party transactions with members of the group or associates or joint ventures of other group members as it is a 100% subsidiary of a company for which consolidated financial statements are publicly available.

20 Ultimate parent company

Leggett & Platt (UK) Limited, a company registered in England and Wales, is the parent company of the smallest group of which the company is a member.

Leggett & Platt Inc., a company incorporated in the United States of America, is the parent company of the largest group of which the company is a member. Copies of the consolidated financial statements of Leggett & Platt Inc., are available from 1 Leggett Road, P O Box 757, Carthage, Missouri, USA.