

Reg
Company No. 1128772

NORTH DERBYSHIRE METAL PRODUCTS LIMITED

Report and Financial Statements

31 March 2002



North Derbyshire Metal Products Limited

Registered No. 1128772

DIRECTORS

K F Booth
C K F Booth
J H Booth

SECRETARY

C K F Booth

AUDITORS

Ernst & Young LLP
PO Box 61
Cloth Hall Court
14 King Street
Leeds
LS1 2JN

REGISTERED OFFICE

Clarence Metal Works
Armer Street
Rotherham S60 1AF

North Derbyshire Metal Products Limited

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 March 2002.

PRINCIPAL ACTIVITY

The principal activity of the company is the production of metal powders.

DIRECTORS

The directors of the company during the year ended 31 March 2002 were those listed on page 1.

DIRECTORS' INTERESTS

According to the register maintained as required under the Companies Act 1985, no director had any interest in the share capital of the company during the year. All the directors are directors of the holding company, C F Booth Limited, and their interest in the shares of that company are dealt with in its financial statements.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. 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;
- 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.

AUDITORS

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

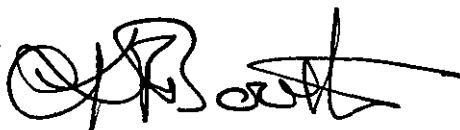
SMALL COMPANY EXEMPTIONS

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

By order of the board

C K F Booth

Secretary



6 September 2002

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NORTH DERBYSHIRE METAL PRODUCTS LIMITED**

We have audited the company's financial statements for the year ended 31 March 2002 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 15. These financial statements have been prepared on the basis of the accounting policies set out therein and in accordance with the Financial Reporting Statement for Smaller Entities (effective June 2002).

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 financial statements in accordance with applicable United Kingdom law and accounting standards.

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

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 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 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 affairs of the company as at 31 March 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

Ernst & Young LLP
Ernst & Young LLP
Registered Auditor
Leeds

6 September

2002

North Derbyshire Metal Products Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 March 2002

	<i>Notes</i>	<i>2002</i> £	<i>2001</i> £
TURNOVER	2	2,058,022	2,103,561
OPERATING COSTS	3	2,285,672	2,094,602
OPERATING (LOSS)/PROFIT	4	(227,650)	8,959
Taxation	5	(82,790)	4,050
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR	11	(144,860)	4,909

A statement of the movement on reserves is given in note 11.

North Derbyshire Metal Products Limited

BALANCE SHEET at 31 March 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible assets	6	426,365	395,746
CURRENT ASSETS			
Stocks	7	373,897	152,264
Debtors	8	418,014	344,424
Cash at bank and in hand		276	60,527
		<u>792,187</u>	<u>557,215</u>
CREDITORS: amounts falling due within one year			
Trade and other creditors	9	1,025,750	615,299
NET CURRENT LIABILITIES		<u>(233,563)</u>	<u>(58,084)</u>
TOTAL ASSETS LESS LIABILITIES		<u>192,802</u>	<u>337,662</u>
CAPITAL AND RESERVES			
Called up share capital	10	10,000	10,000
Profit and loss account	11	182,802	327,662
EQUITY SHAREHOLDERS' FUNDS		<u>192,802</u>	<u>337,662</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).


K F Booth Director

6 September 2002

North Derbyshire Metal Products Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 March 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention.

Depreciation of fixed assets

Freehold land is not depreciated. The cost of other fixed assets is depreciated by equal annual instalments over their expected useful lives as follows:

Freehold buildings	50 years
Plant and equipment	10 years
Office equipment	10 years
Motor vehicles	4 years

Non-productive assets are written down to their estimated economic value. Depreciation is not charged on any item of plant until it is installed and in operation.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress, cost comprises direct materials, direct labour and an appropriate proportion of manufacturing fixed and variable overheads. The allocation of manufacturing fixed overheads has regard to budgeted normal production.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all timing differences to the extent that it is probable that the liability will crystallise.

Pension benefits

The C F Booth Limited group operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Research and Development

Research and development expenditure is written off as incurred.

2. TURNOVER

Turnover comprises the invoice value of goods and services supplied by the company exclusive of VAT and is attributable to one continuing activity. 31% (2001 - 40%) of turnover is attributable to geographical markets outside the United Kingdom.

North Derbyshire Metal Products Limited

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

3. OPERATING COSTS

	2002	2001
	£	£
Movement in stocks of finished goods and work in progress	(268,873)	55,399
Raw materials and consumables	1,843,810	1,511,495
Staff costs	211,274	190,006
Depreciation of fixed assets	28,976	47,181
Other operating charges	125,012	99,988
Other external charges	345,173	190,533
	<u>2,285,672</u>	<u>2,094,602</u>

The company has made contributions to the group pension scheme which is a defined contribution scheme. The pension cost charge representing contributions payable by the company to the fund amounted to £3,801 (2001 - £5,025). Details of the scheme are contained in the financial statements of the holding company, C F Booth Limited.

4. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2002	2001
	£	£
Auditors' remuneration	4,250	3,000
Exceptional items – legal fees	181,609	-
	<u>185,859</u>	<u>3,000</u>

The directors of the company are also directors of the holding company and fellow subsidiaries. All of the directors' remuneration was paid by the holding company. The directors do not believe that it is practicable to apportion their remuneration between the company and the holding and fellow subsidiary companies.

5. TAXATION

	2002	2001
	£	£
Group relief (receivable)/payable	(82,790)	4,050
	<u>(82,790)</u>	<u>4,050</u>

North Derbyshire Metal Products Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 March 2002

6. TANGIBLE FIXED ASSETS

	<i>Freehold land and buildings £</i>	<i>Office equipment £</i>	<i>Plant, equipment & vehicles £</i>	<i>Total £</i>
Cost:				
At 1 April 2001	333,442	14,434	758,227	1,106,103
Additions	20,537	-	39,058	59,595
Disposals	-	-	-	-
At 31 March 2002	353,979	14,434	797,285	1,165,698
Depreciation:				
At 1 April 2001	31,741	14,434	664,182	710,357
Charge for the year	4,267	-	24,709	28,976
Disposals	-	-	-	-
At 31 March 2002	36,008	14,434	688,891	739,333
Net book value				
At 31 March 2002	317,971	-	108,394	426,365
At 31 March 2001	301,701	-	94,045	395,746

Freehold land and buildings includes land of £139,601 (2001 - £139,601) which has not been depreciated.

7. STOCKS

	<i>2002 £</i>	<i>2001 £</i>
Raw materials	6,913	53,853
Finished goods	366,984	98,411
	373,897	152,264

8. DEBTORS

	<i>2002 £</i>	<i>2001 £</i>
Due within one year:		
Trade debtors	355,591	338,449
Other debtors	62,423	5,975
	418,014	344,424

North Derbyshire Metal Products Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 March 2002

9. TRADE AND OTHER CREDITORS

	2002 £	2001 £
Bank overdraft	400,488	-
Trade creditors	38,922	60,192
Amounts owed to group undertakings	572,932	550,830
Other creditors	5,500	4,277
Other taxation and social security	7,908	-
	<u>1,025,750</u>	<u>615,299</u>

10. SHARE CAPITAL

	2002 No.	Authorised 2001 No.	Allotted, called up and fully paid 2002 £	2001 £
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

11. MOVEMENT ON RESERVES AND RECONCILIATION OF SHAREHOLDERS' FUNDS

	Share capital £	Profit & loss shareholders' account £	Total funds £
Balance at 31 March 2000	10,000	322,753	332,753
Retained profit for the year	-	4,909	4,909
Balance at 31 March 2001	10,000	327,662	337,662
Retained loss for the year	-	(144,860)	(144,860)
Balance at 31 March 2002	10,000	182,802	192,802

12. CAPITAL COMMITMENTS

At 31 March 2002 the directors had not contracted for any future capital expenditure (2001 - £nil).

13. CONTINGENT LIABILITIES

The company has given an unlimited guarantee in respect of the bank overdrafts of other companies in the C F Booth Limited group. At 31 March 2002 the company's liability in respect of this guarantee amounted to £968,600 (2001 - £537,583).

The directors are of the opinion that no loss to the company will arise from the above.

North Derbyshire Metal Products Limited

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

14. HOLDING COMPANY

The ultimate holding company and the parent undertaking of the group of undertakings for which group financial statements are drawn up and of which the company is a member is C F Booth Limited, registered in England and Wales. Copies of the financial statements of C F Booth Limited can be obtained from the Registrar of Companies, Companies House, Maindy, Cardiff.

15. RELATED PARTIES

At 31 March 2002, the ultimate controlling party was C F Booth Limited.

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of the C F Booth Limited group or investees of the group.