

01128772

North Derbyshire Metal Products Limited

Report and Financial Statements

31 March 2006



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
Cloth Hall Court
14 King Street
Leeds
LS1 2JN

Registered office

Clarence Metal Works
Armer Street
Rotherham
S60 1AF

Directors' report

The directors present their report and financial statements for the year ended 31 March 2006

Principal activities

The principal activity of the company is property rental

Directors

The directors at 31 March 2006 are listed on page 1

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 interests in the shares of that company are dealt with in its accounts.

Disclosure of information to the auditors

As at the date of this report, as far as each director is aware, there is no relevant audit information of which the company's auditors are unaware and each director has taken such steps as he should have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

In accordance with the elective resolution passed by the company under Section 386 of the Companies Act 1985, Ernst & Young LLP will be reappointed as auditor to the company.

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.

By order of the board



C K F Booth
Secretary

25 April 2007

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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 or 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, 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 auditor's report

to the members of North Derbyshire Metal Products Limited

We have audited the company's financial statements for the year ended 31 March 2006 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, 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 Standard for Smaller 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and 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 legal 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 judgments 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.

Independent auditor's report

to the members of North Derbyshire Metal Products Limited (continued)

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 March 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

Ernst & Young LLP
Ernst & Young LLP
Registered auditor
Leeds

27 April 2007

Profit and loss account

for the year ended 31 March 2006

	Notes	2006 £	(restated) 2005 £
Turnover		70,488	43,219
Other external charges		31,845	24,600
Other operating charges		188	(10,000)
		<u>32,033</u>	<u>14,600</u>
Profit on ordinary activities before taxation		38,455	28,619
Tax on profit on ordinary activities	6	8,991	6,965
Profit for the financial year transferred to reserves		<u>29,464</u>	<u>21,654</u>

Statement of total recognised gains and losses

for the year ended 31 March 2006

		2006 £	(restated) 2005 £
Profit for the financial year		29,464	21,654
Total recognised gains and losses for the financial year		<u>29,464</u>	<u>21,654</u>
Prior year adjustment	2	194,930	
Total recognised gains and losses since last annual report		<u>224,394</u>	

Balance sheet

at 31 March 2006

	Notes	2006 £	(restated) 2005 £
Fixed assets			
Tangible assets	7	500,000	500,000
Current assets			
Debtors	8	52,709	47,671
Cash at bank		15,036	5,566
		67,745	53,237
Creditors: amounts falling due within one year	9	134,109	149,593
Net current liabilities		(66,364)	(96,356)
Total assets less current liabilities		433,636	403,644
Provisions for liabilities and charges	10	19,120	18,592
		414,516	385,052
Capital and reserves			
Called up share capital	13	10,000	10,000
Investment property revaluation reserve	14	186,330	186,330
Profit and loss account	14	218,186	188,722
Equity shareholders' funds		414,516	385,052

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)



K F Booth
Director

25 April 2007

Notes to the financial statements

at 31 March 2006

1. Fundamental accounting concept

The accounts have been prepared under the going concern concept because the holding company has agreed to provide adequate funds for the company to meet its liabilities as they fall due

2. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

In preparing the financial statements the directors have concluded that the fixed assets qualify as an investment property under Statement of Standard Accounting Practice No 19. In accordance with that accounting standard the properties have been revalued and included in the balance sheet at market value. The property should have been treated as an investment property in earlier years and this correction has resulted in a prior year adjustment for the company. The profit for the years to 31 March 2004 and 31 March 2005 have each been increased by £4,300 as a result of the elimination of the depreciation charge and Shareholders' funds at 31 March 2004 and 31 March 2005 have also been increased by £186,330 as a result of the revaluation of the property.

The true and fair override provisions of the Companies Act 1985 have been invoked, see 'Investment Properties' below

Research and development

Research and development expenditure is written off in the year in which it is incurred

Investment properties

The company's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

- investment properties are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year, and
- no depreciation is provided in respect of leasehold investment properties where the lease has over 20 years to run.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the directors believe that the policy of not providing depreciation is necessary in order for the accounts to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

Fixed assets

All fixed assets are initially recorded at cost

Notes to the financial statements

at 31 March 2006

2. Accounting policies (continued)

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, 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.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

Pension costs

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.

3. Turnover

Turnover comprises the invoice value of goods and services supplied by the company exclusive of VAT and is attributable to property rental within the United Kingdom.

Notes to the financial statements

at 31 March 2006

4. Profit on ordinary activities before taxation

This is stated after charging

		2006	(restated) 2005
	Notes	£	£
Auditors' remuneration - fees		3,000	3,000
Directors' emoluments		-	-

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. Staff costs

No salaries or wages have been paid to employees, including the directors, during the year.

6. Taxation on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2006	2005
	£	£
<i>Current tax</i>		
UK corporation tax	9,719	3,437
Tax underprovided in previous years	(1,256)	(264)
Total current tax (note 6(b))	8,463	3,173
<i>Deferred tax</i>		
Origination and reversal of timing differences (note 10)	528	3,792
Tax on profit on ordinary activities	8,991	6,965

Notes to the financial statements

at 31 March 2006

6. 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 30% (2005 - 30%)

The differences are reconciled below

	2006 £	(restated) 2005 £
Profit on ordinary activities before tax	38,455	28,619
Profit on ordinary activities by rate of tax	11,537	8,586
Capital allowances in excess of depreciation	(1,818)	(5,149)
Adjustments in respect of previous periods	(1,256)	(264)
Total current tax (note 6(a))	8,463	3,173
(c) Deferred tax		
	2006 £	2005 £
Capital allowances in advance of depreciation	(19,120)	(18,592)
Provision for deferred taxation (note 10)	(19,120)	(18,592)

Deferred taxation has been provided in full. Deferred taxation has not been provided in respect of the revaluation of the investment property. If this property were sold at the value shown in the balance sheet no tax liability would arise.

7. Tangible fixed assets

	Investment property £	Freehold land and buildings £	Total £
Cost or valuation			
At 1 April 2005			
As previously reported	-	353,978	353,978
Prior year adjustment	500,000	(353,978)	146,022
As restated	500,000	-	500,000
At 31 March 2006	500,000	-	500,000
Depreciation			
At 1 April 2005			
As previously reported	-	48,908	48,908
Prior year adjustment	-	(48,908)	(48,908)
As restated	500,000	-	-
At 31 March 2006	-	-	-
Net book value			
At 31 March 2006	500,000	-	500,000
At 1 April 2005 (restated)	500,000	-	500,000

Notes to the financial statements

at 31 March 2006

7. Tangible fixed assets (continued)

The investment property was valued at the year end by the directors of the company on an open market value basis. If the property had not been revalued it would have been included in the accounts at a net book value of £300,770 (cost of £353,978 less depreciation of £53,208)

8. Debtors

	2006 £	2005 £
Trade debtors	-	11,605
Corporation tax repayable	28,977	36,066
Accrued income	11,825	-
Other debtors	11,907	-
	<u>52,709</u>	<u>47,671</u>

9. Creditors: amounts falling due within one year

	2006 £	2005 £
Trade creditors	12,687	11,289
Amounts owed to group undertakings	119,422	135,304
Accruals and deferred income	2,000	3,000
	<u>134,109</u>	<u>149,593</u>

10. Provisions for liabilities and charges

	Deferred tax £
At 1 April 2005	18,592
Deferred tax charge in profit and loss account (note 6(a))	528
At 31 March 2006 (note 6(c))	<u>19,120</u>

11. Contingent liability

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 2006 the company's liability in respect of this guarantee amounted to £4,621,227 (2005 - £nil)

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

12. Related party transactions

The ultimate controlling party is 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

Notes to the financial statements

at 31 March 2006

13. Share capital

		2006 £	Authorised 2005 £
Ordinary shares of £1 each		10,000	10,000
	No	Allotted, called up and fully paid 2006 £	2005 £
Ordinary shares of £1 each	10,000	10,000	10,000

14. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Investment property revaluation reserve £	Profit and loss account £	Total shareholders' funds £
At 1 April 2004				
As previously reported	10,000	-	162,768	172,768
Prior year adjustment (note 2)	-	186,330	4,300	190,630
As restated	10,000	186,330	167,068	363,398
Profit for the year		-	21,654	21,654
At 31 March 2005	10,000	186,330	188,722	385,052
Profit for the year	-	-	29,464	29,464
At 31 March 2006	10,000	186,330	218,186	414,516

Deferred tax has not been provided in respect of the revaluation of the investment property (see note 6)

15. Holding company

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