

Company Registration No 06070374 (England and Wales)

**FUTURE METAL HOLDINGS LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

TUESDAY



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# FUTURE METAL HOLDINGS LIMITED

## DIRECTORS AND ADVISERS

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**Directors** D Carman  
R Chalu  
J Chalu  
E Chalu  
M Cheshem-Panam

**Secretary** E Chalu

**Company number** 06070374

**Registered office** Ayton Road  
Wymondham  
Norfolk  
NR18 0QH

**Registered auditors** Larking Gowen  
King Street House  
Norwich  
Norfolk  
NR3 1RB

**Business address** Ayton Road  
Wymondham  
Norfolk  
NR18 0QH

**Bankers** Bank of Scotland Plc  
3 Queen Street  
Norwich  
NR2 4SG

**Solicitors** Rogers & Norton  
The Old Chapel  
5-7 Willow Lane  
Norwich  
NR2 1BU

Cozens Hardy LLP  
Castle Chambers  
Opie Street  
Norwich  
Norfolk  
NR1 3DP

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# **FUTURE METAL HOLDINGS LIMITED**

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# **FUTURE METAL HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2009***

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The directors present their report and financial statements for the year ended 31 December 2009

#### **Directors**

The following directors have held office since 1 January 2009

D Carman  
R Chalu  
J Chalu  
E Chalu  
M Cheshem-Panam

#### **Principal activities and review of the business**

The group trades in the business of powder coating aluminium and thermal breaking

The results for the year show a loss before tax of £223,126 (2008 £64,792) and sales of £5.3m (2008 £6.1m)

The group has net liabilities of £253,172 (2008 £43,401)

The market is expected to remain competitive in 2010. The directors are confident that they will improve on the current performance levels into the future resulting in acceptable profit margins.

The management of the business and the execution of the group's objectives are subject to a number of risks and uncertainties.

The key business risk relates to the lack of control over customer related issues, such as demand, market fluctuations and requirements. Thereafter the risk of increased competition, from both the UK and overseas markets, poses the greatest threat.

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

The directors are satisfied with the performance of the company this year. The directors are still of the view that the company has a strong business model and will develop growth in the medium to long term. Further details of the financial performance are detailed in note 1.1 to the financial statements.

#### **Results and dividends**

The consolidated profit and loss account for the year is set out on page 5.

#### **Auditors**

The auditors, Larking Gowen, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

# **FUTURE METAL HOLDINGS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2009**

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### **Directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

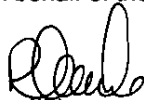
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



R Chalu  
**Director**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FUTURE METAL HOLDINGS LIMITED**

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We have audited the group and parent company financial statements (the "financial statements") of Future Metal Holdings Limited for the year ended 31 December 2009 set out on pages 5 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2009 and of the group's loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE MEMBERS OF FUTURE METAL HOLDINGS LIMITED**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

**Jonathan Woolston FCA (Senior Statutory Auditor)**  
**for and on behalf of Larking Gowen**

20 October 2010

**Chartered Accountants**  
**Statutory Auditors**

King Street House  
Norwich  
Norfolk  
NR3 1RB

# **FUTURE METAL HOLDINGS LIMITED**

## **CONSOLIDATED PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 £	2008 £
Turnover	2	5,250,469	6,062,938
Cost of sales		(2,948,170)	(3,561,450)
<b>Gross profit</b>		2,302,299	2,501,488
Distribution costs		(564,066)	(683,071)
Administrative expenses		(1,785,696)	(1,663,022)
<b>Operating (loss)/profit</b>	3	(47,463)	155,395
Other interest receivable and similar income		125	3,362
Interest payable and similar charges	4	(175,788)	(223,549)
<b>Loss on ordinary activities before taxation</b>	3	(223,126)	(64,792)
Tax on loss on ordinary activities	5	13,355	(8,259)
<b>Loss on ordinary activities after taxation</b>		(209,771)	(73,051)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account



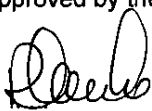
# FUTURE METAL HOLDINGS LIMITED

## BALANCE SHEETS

AS AT 31 DECEMBER 2009

	Notes	Group 2009 £	2008 £	Company 2009 £	2008 £
<b>Fixed assets</b>					
Intangible assets	7	746,924	790,861	-	-
Tangible assets	8	1,379,827	1,508,662	274,508	261,213
Investments	9	-	-	2,296,690	2,296,690
		<u>2,126,751</u>	<u>2,299,523</u>	<u>2,571,198</u>	<u>2,557,903</u>
<b>Current assets</b>					
Stocks	10	185,119	205,120	-	-
Debtors	11	910,603	1,502,944	70,535	6,633
Cash at bank and in hand		9,472	65,821	686	9,219
		<u>1,105,194</u>	<u>1,773,885</u>	<u>71,221</u>	<u>15,852</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,896,768)</u>	<u>(2,307,448)</u>	<u>(360,911)</u>	<u>(281,525)</u>
<b>Net current liabilities</b>		<u>(791,574)</u>	<u>(533,563)</u>	<u>(289,690)</u>	<u>(265,673)</u>
<b>Total assets less current liabilities</b>		1,335,177	1,765,960	2,281,508	2,292,230
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(1,499,300)</u>	<u>(1,706,957)</u>	<u>(2,563,088)</u>	<u>(2,481,322)</u>
<b>Provisions for liabilities</b>	14	<u>(89,049)</u>	<u>(102,404)</u>	<u>-</u>	<u>-</u>
		<u>(253,172)</u>	<u>(43,401)</u>	<u>(281,580)</u>	<u>(189,092)</u>
<b>Capital and reserves</b>					
Called up share capital	16	1,000	1,000	1,000	1,000
Profit and loss account	17	<u>(254,172)</u>	<u>(44,401)</u>	<u>(282,580)</u>	<u>(190,092)</u>
<b>Shareholders' funds</b>	18	<u>(253,172)</u>	<u>(43,401)</u>	<u>(281,580)</u>	<u>(189,092)</u>

Approved by the Board and authorised for issue on

  
R Chalu  
Director

  
D Carman  
Director

Company Registration No.

# **FUTURE METAL HOLDINGS LIMITED**

## **CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009**

	£	2009 £	£	2008 £
<b>Net cash inflow from operating activities</b>		622,959		418,159
<b>Returns on investments and servicing of finance</b>				
Interest received	125		3,362	
Interest paid	(175,788)		(223,549)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(175,663)		(220,187)
<b>Taxation</b>		-		(29,496)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(23,045)		(436,473)	
Receipts from sales of tangible assets	7,000		-	
<b>Net cash outflow for capital expenditure</b>		(16,045)		(436,473)
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		431,251		(267,997)
<b>Financing</b>				
New long term bank loan	-		174,500	
Other new short term loans	-		166,567	
Repayment of long term bank loan	(87,939)		(42,441)	
Repayment of other long term loans	(1,899)		(33,699)	
Repayment of other short term loans	(394,594)		-	
Capital element of hire purchase contracts	(36,792)		(3,066)	
<b>Net cash (outflow)/inflow from financing</b>		(521,224)		261,861
<b>Increase/(decrease) in cash in the year</b>		(89,973)		(6,136)

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

### FOR THE YEAR ENDED 31 DECEMBER 2009

1	Reconciliation of operating (loss)/profit to net cash inflow from operating activities	2009	2008
		£	£
	Operating (loss)/profit	(47,463)	155,395
	Depreciation of tangible assets	150,144	132,117
	Amortisation of intangible assets	43,937	43,937
	Profit on disposal of tangible assets	(5,265)	-
	Decrease in stocks	20,001	6,042
	Decrease/(increase) in debtors	592,341	(109,764)
	(Decrease)/Increase in creditors within one year	(130,736)	190,432
	<b>Net cash inflow from operating activities</b>	<b>622,959</b>	<b>418,159</b>

2	Analysis of net debt	1 January 2009	Cash flow	Other non-cash changes	31 December 2009
		£	£	£	£
	Net cash				
	Cash at bank and in hand	65,821	(56,349)	-	9,472
	Bank overdrafts	(129,488)	(33,624)	-	(163,112)
		(63,667)	(89,973)	-	(153,640)
	Finance leases	(180,895)	36,792	-	(144,103)
	Debts falling due within one year	(1,178,928)	313,568	-	(865,360)
	Debts falling due after one year	(1,562,854)	170,865	-	(1,391,989)
		(2,922,677)	521,225	-	(2,401,452)
	<b>Net debt</b>	<b>(2,986,344)</b>	<b>431,252</b>	<b>-</b>	<b>(2,555,092)</b>

3	Reconciliation of net cash flow to movement in net debt	2009	2008
		£	£
	Decrease in cash in the year	(89,973)	(6,136)
	Cash outflow/(inflow) from decrease/(increase) in debt	521,225	(445,822)
	<b>Movement in net debt in the year</b>	<b>431,252</b>	<b>(451,958)</b>
	Opening net debt	(2,986,344)	(2,534,386)
	<b>Closing net debt</b>	<b>(2,555,092)</b>	<b>(2,986,344)</b>

# **FUTURE METAL HOLDINGS LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2009**

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

The group meets its day to day working capital requirements through an overdraft facility which is repayable on demand

The nature of the groups business is such that there can be considerable unpredictable variation in the timing of cash inflows. The directors have prepared projected cash flow information for the period ending 31 December 2011. Performance during the 2010 financial year is showing strong improvements in both the level of business and net cash inflows compared to the previous year.

However, the groups continued trading depends on its ability to remain within its current borrowing facility and securing the renewal of that facility when it is due to be considered by the groups bankers in February 2011. Considering this and the performance improvements mentioned above, the directors have an expectation that borrowing facilities will be renewed and that the group has adequate resources to continue its operations for the foreseeable future. For these reasons, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

##### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

##### **1.3 Basis of consolidation**

The consolidated financial statements prepared under acquisition accounting basis, comprise the accounts of Future Metal Holdings Limited and Barley Chalu Limited made up to 31 December 2009.

In accordance with the exemption provided under S 408 Companies Act 2006 the profit and loss account of the parent company is not published.

##### **1.4 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

##### **1.5 Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

##### **1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold and leasehold	2% straight line basis
Plant and machinery	15%/25% reducing balance basis
Fixtures, fittings & equipment	15%/20% reducing balance basis
Motor vehicles	25% reducing balance basis

##### **1.7 Leasing**

Rentals payable under operating leases are charged through the profit and loss account on a straight line basis over the lease term.

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2009

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#### 1 Accounting policies (continued)

##### 1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value

##### 1.9 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. In general, cost is determined on an average cost basis. Net realisable value is the price at which stocks can be sold in the normal course of business. Provision is made where necessary for obsolescent, slow moving and defective stocks.

##### 1.10 Pensions

The group operates a defined contribution scheme for certain qualifying employees.

The assets of the defined contribution scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents the contributions payable by the company.

##### 1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

##### 1.12 Foreign currency translation

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

#### 2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in Europe.

3 Operating loss	2009 £	2008 £
Operating loss is stated after charging		
Amortisation of intangible assets	43,937	43,937
Depreciation of tangible assets	150,144	132,117
Loss on foreign exchange transactions	3,712	-
Operating lease rentals		
- Plant and machinery	12,633	13,245
- Other assets	(34,236)	(9,403)
Fees payable to the group's auditor for the audit of the group's annual accounts (company £2,550, 2008 £2,750)	13,300	13,750
and after crediting		
Profit on disposal of tangible assets	(5,265)	-
Profit on foreign exchange transactions	-	(17,694)

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

<b>4</b>	<b>Interest payable</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	6,090	2,912
	On other loans wholly repayable within five years	11,445	21,593
	On loans repayable after five years	106,263	100,772
	On amounts payable to factors	43,964	81,341
	Other interest	8,026	16,931
		<u>175,788</u>	<u>223,549</u>
<b>5</b>	<b>Taxation</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	<b>Current tax charge</b>	-	-
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	<u>(13,355)</u>	<u>8,259</u>
	<b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	<u>(223,126)</u>	<u>(64,792)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2008 - 21.00%)	<u>(46,856)</u>	<u>(13,606)</u>
	<b>Effects of</b>		
	Non deductible expenses	-	1,238
	Depreciation add back	15,067	(3,552)
	Chargeable disposals	(1,106)	-
	Other tax adjustments	32,895	15,920
		<u>46,856</u>	<u>13,606</u>
	<b>Current tax charge</b>	<u>-</u>	<u>-</u>
<b>6</b>	<b>Loss for the financial year</b>		
	As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:		
		<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Holding company's loss for the financial year	<u>(92,488)</u>	<u>(101,354)</u>

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

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### 7 Intangible fixed assets Group

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January 2009 & at 31 December 2009	878,735
	<hr/>
<b>Amortisation</b>	
At 1 January 2009	87,874
Charge for the year	43,937
	<hr/>
At 31 December 2009	131,811
	<hr/>
<b>Net book value</b>	
At 31 December 2009	746,924
	<hr/> <hr/>
At 31 December 2008	790,861
	<hr/> <hr/>

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2009

#### 8 Tangible fixed assets

##### Group

	Land and buildings freehold and leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2009	670,571	958,914	71,837	19,691	1,721,013
Additions	22,295	-	750	-	23,045
Disposals	-	(41,350)	-	-	(41,350)
At 31 December 2009	692,866	917,564	72,587	19,691	1,702,708
<b>Depreciation</b>					
At 1 January 2009	27,964	162,140	16,708	5,539	212,351
On disposals	-	(39,615)	-	-	(39,615)
Charge for the year	19,529	118,919	8,158	3,539	150,145
At 31 December 2009	47,493	241,444	24,866	9,078	322,881
<b>Net book value</b>					
At 31 December 2009	645,373	676,120	47,721	10,613	1,379,827
At 31 December 2008	642,607	796,774	55,129	14,152	1,508,662

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Net book values</b>				
At 31 December 2009	260,387	-	-	260,387
At 31 December 2008	130,419	-	-	130,419
<b>Depreciation charge for the year</b>				
31 December 2009	45,951	-	-	45,951
31 December 2008	5,081	-	-	5,081



# **FUTURE METAL HOLDINGS LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2009**

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**Tangible fixed assets (continued)****Company**

	<b>Land and buildings Leasehold £</b>
<b>Cost</b>	
At 1 January 2009	266,544
Additions	19,008
	<hr/>
At 31 December 2009	285,552
	<hr/>
<b>Depreciation</b>	
At 1 January 2009	5,331
Charge for the year	5,713
	<hr/>
At 31 December 2009	11,044
	<hr/>
<b>Net book value</b>	
At 31 December 2009	274,508
	<hr/>
At 31 December 2008	261,213
	<hr/>

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2009

#### 9 Fixed asset investments

##### Group

##### Net book value

At 31 December 2009

-

At 31 December 2008

-

##### Company

Shares in  
group  
undertakings  
£

##### Cost

At 1 January 2009 & at 31 December 2009

2,296,690

##### Net book value

At 31 December 2009

2,296,690

At 31 December 2008

2,296,690

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

#### 10 Stocks and work in progress

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Raw materials and consumables	133,276	151,048	-	-
Work in progress	51,843	54,072	-	-
	<u>185,119</u>	<u>205,120</u>	<u>-</u>	<u>-</u>

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

### 11 Debtors

	Group 2009 £	2008 £	Company 2009 £	2008 £
Trade debtors	859,697	1,416,758	3,281	6,633
Amounts owed by group undertakings	-	-	67,254	-
Other debtors	6,509	26,514	-	-
Prepayments and accrued income	44,397	59,672	-	-
	<u>910,603</u>	<u>1,502,944</u>	<u>70,535</u>	<u>6,633</u>

### 12 Creditors : amounts falling due within one year

	Group 2009 £	2008 £	Company 2009 £	2008 £
Bank loans and overdrafts	297,649	182,998	134,537	53,510
Net obligations under finance lease and hire purchase contracts	36,792	36,792	-	-
Trade creditors	360,720	447,146	1,383	2,072
Taxes and social security costs	167,996	214,819	-	613
Directors current accounts	220,005	220,000	220,000	220,000
Other creditors	738,805	1,125,518	-	-
Accruals and deferred income	74,801	80,175	4,991	5,330
	<u>1,896,768</u>	<u>2,307,448</u>	<u>360,911</u>	<u>281,525</u>

The bank borrowing is secured by a fixed and floating charge over the assets of the company

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

### 13 Creditors - amounts falling due after more than one year

	Group 2009 £	2008 £	Company 2009 £	2008 £
Owed to subsidiary undertakings	-	-	1,269,200	1,018,468
Bank loans	1,293,888	1,462,854	1,293,888	1,462,854
Other loans	98,101	100,000	-	-
Net obligations under finance leases and hire purchase agreements	107,311	144,103	-	-
	<u>1,499,300</u>	<u>1,706,957</u>	<u>2,563,088</u>	<u>2,481,322</u>
<b>Analysis of loans</b>				
Not wholly repayable within five years	-	-	1,269,200	1,018,468
Wholly repayable within five years	2,257,349	2,741,782	1,428,425	1,516,364
	<u>2,257,349</u>	<u>2,741,782</u>	<u>2,697,625</u>	<u>2,534,832</u>
Included in current liabilities	(865,360)	(1,178,928)	(134,537)	(53,510)
	<u>1,391,989</u>	<u>1,562,854</u>	<u>2,563,088</u>	<u>2,481,322</u>
<b>Loan maturity analysis</b>				
In more than one year but not more than two years	134,537	53,510	134,537	53,510
In more than two years but not more than five years	501,712	260,530	403,611	160,530
In more than five years	755,740	1,248,814	2,024,940	2,267,282
	<u></u>	<u></u>	<u></u>	<u></u>

The bank borrowing is secured by a fixed and floating charge over the assets of the company

The amount owed to Barley Chalu Limited, the subsidiary company, is an interest free loan repayable after 5 years

### Net obligations under finance leases and hire purchase contracts

Repayable within one year	36,792	126,370	-	-
Repayable between one and five years	107,311	235,420	-	-
	<u>144,103</u>	<u>361,790</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(36,792)	(36,792)	-	-
	<u>107,311</u>	<u>324,998</u>	<u>-</u>	<u>-</u>

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2009

#### 14 Provisions for liabilities

##### Group

##### Deferred taxation £

Balance acquired at 8 May 2007

102,404

Profit and loss account

(13,355)

Balance at 31 December 2009

89,049

The deferred tax liability is made up as follows:

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Accelerated capital allowances	89,049	102,404	-	-

#### 15 Pension and other post-retirement benefit commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

##### Defined contribution

	2009	2008
	£	£
Contributions payable by the group for the year	3,900	3,900

#### 16 Share capital

	2009	2008
	£	£
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2009

#### 17 Statement of movements on profit and loss account

##### Group

	Profit and loss account £
Balance at 1 January 2009	(44,401)
Loss for the year	(209,771)
Balance at 31 December 2009	<u>(254,172)</u>

##### Company

	Profit and loss account £
Balance at 1 January 2009	(190,092)
Loss for the year	(92,488)
Balance at 31 December 2009	<u>(282,580)</u>

#### 18 Reconciliation of movements in shareholders' funds

##### Group

	2009 £	2008 £
Loss for the financial year	(209,771)	(73,051)
Closing shareholders' funds	<u>(253,172)</u>	<u>(43,401)</u>

##### Company

	2009 £	2008 £
Loss for the financial year	(92,488)	(101,354)
Opening shareholders' funds	(189,092)	(87,738)
Closing shareholders' funds	<u>(281,580)</u>	<u>(189,092)</u>

#### 19 Contingent liabilities

##### Group

Contingent liabilities arise in the normal course of business on the warranties given on work carried out by the group

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2009

#### 20 Financial commitments

At 31 December 2009 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2009	2008	2009	2008
	£	£	£	£
Expiry date				
Within one year	60,000	60,000	8,553	32,172
Between two and five years	-	-	1,090	54,483
	<u>60,000</u>	<u>60,000</u>	<u>9,643</u>	<u>86,655</u>

#### 21 Directors' emoluments

	2009	2008
	£	£
Remuneration	<u>398,456</u>	<u>370,821</u>
Emoluments disclosed above (excluding pension contributions) include amounts paid to		
The highest paid director	<u>91,498</u>	<u>88,925</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1

# FUTURE METAL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

### 22 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2009 Number	2008 Number
Production	79	86
Selling and distribution	6	12
Administration	8	8
	<u>93</u>	<u>106</u>

#### Employment costs

	2009 £	2008 £
Wages and salaries	2,310,856	2,507,242
Social security costs	232,027	254,969
Other pension costs	3,900	3,900
	<u>2,546,783</u>	<u>2,766,111</u>

### 23 Control

The group is controlled by the directors. No single director has overall control of the group.

### 24 Related party transactions

#### Group

Barley Chalu Limited Retirement Benefit Scheme is a related party of the group. During the period, the group made payments of £2,947 (2008 £12,819) in respect of loan interest and payments of £60,000 (2008 £60,000) in respect of rent to the scheme. The amount of loans owed to the scheme at the year end was £98,101 (2008 £100,000).