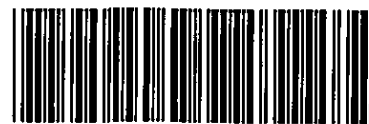


Cold Drawn Products Limited

Report and Financial Statements

31 December 2012

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Cold Drawn Products Limited

Report and financial statements 2012

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Cold Drawn Products Limited

Report and financial statements 2012

Officers and professional advisers

Directors

H J Velge
B R M A Cluydts
M H J Vandeveldde

Secretary

D C Smith

Registered office

Park House Road
Low Moor
Bradford
West Yorkshire
BD12 0PX

Bankers

HSBC plc
14 Bradford Road
Cleckheaton
West Yorkshire
BD19 3JR

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds, UK

Cold Drawn Products Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2012

Principal activities and review of the business

The principal activity of the company was the manufacture of profile wire

The profit for the year after taxation was £2,322,627 (2011 £2,039,618)

The company paid a dividend during the year of £nil (2011 £nil)

Following the consolidation of the flat and shaped wire business at the Low Moor site, volume and revenue have continued to increase as new market segments and customers globally are identified

Turnover in the offshore pipe market increased in the year, and the prospects in the medium term remain positive for further growth

The balance sheet shows that the company's net assets have increased to £12,277,041 (2011 £9,954,414)

Key performance indicators

Sales growth for the year which is calculated as the percentage increase in revenue from continuing operations as a percentage of total prior year revenue from continuing operations was 25.4% (2011 36.4% increase)

The company looks to maximise its on-time deliveries to customers. In the year the company achieved an on-time delivery success rate of 71% (2011 74%)

The company looks to maximise its utilisation of plant and equipment by minimising machine downtime. In the year the level of downtime and machine set-up time was measured at 36% (2011 27%)

The company endeavours to minimise its working capital. At the end of the year net working capital requirement was £2,802,664 (2011 £2,880,435). Working capital is defined as stock plus trade debtors less trade creditors less personnel related creditors

Going concern

In forming their going concern judgement the directors have considered the trading uncertainties arising in the current economic environment, budgets and forecasts for the 12 month period from approval of these financial statements, as well as the adequacy of its resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Risks and uncertainties

General Outlook

The company has performed well during the year despite the worldwide recession. As the general economy improves the risk associated with the downturn will reduce. In those areas that are slow to pull out of recession, including Europe (exc UK) the company's exposure is modest

Cash flow risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The company has access to, and has utilised, foreign exchange forward contracts to hedge this exposure

Credit risk

The company's principal financial assets are bank balances and cash, and trade and other receivables

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The company obtains credit insurance cover for the majority of its customers

Liquidity risk

The company has recourse to the group treasury function in order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments

Cold Drawn Products Limited

Directors' report (continued)

Treasury

The company's treasury operates procedures designed to reduce or eliminate financial risk. The policies are approved by the Board and the use of financial instruments is strictly controlled.

The company's principal financial instruments comprise borrowings, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The company has access to forward foreign currency contracts to manage the currency rate risks arising from the company's operations. The company does not use interest rate swaps to manage the interest rate risks arising from the company's operations.

Directors

The directors who served during the year and to date, except where stated otherwise were as follows:

H J Velge
B R M A Cluydts
M H J Vandeveld

Charitable/political donations

The company made charitable and political donations of £Nil (2011 - £Nil) during the period.

Payment to suppliers

It is company policy to agree terms and conditions for its business transaction with suppliers. Payment is made on these terms subject to the terms and conditions being met by the supplier. The company's creditor days outstanding at 31 December 2012 were equivalent to 57 days (2011 - 74 days), based on the average daily amount invoiced by suppliers during the year.

Disabled employees

Applications for employment by disabled employees are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of staff becoming disabled every effort is made to ensure that their employment with the company continues and appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees by holding regular briefing meetings on the various factors affecting the performance of the company.

Disclosure of relevant information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Cold Drawn Products Limited

Directors' report (continued)

Treasury

The company's treasury operates procedures designed to reduce or eliminate financial risk. The policies are approved by the Board and the use of financial instruments is strictly controlled.

The company's principal financial instruments comprise borrowings, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The company has access to forward foreign currency contracts to manage the currency rate risks arising from the company's operations. The company does not use interest rate swaps to manage the interest rate risks arising from the company's operations.

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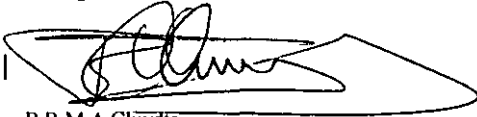
Cold Drawn Products Limited

Directors' report (continued)

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term, and appropriate arrangements have been put in place for them to be deemed to be reappointed as auditors in the absence of an Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'B R M A Cluydts', is written over a horizontal line.

B R M A Cluydts
Director

23 September 2013

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, 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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report To The Members Of Cold Drawn Products Limited

We have audited the financial statements of Cold Drawn Products Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 23. 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 Chapter 3 of Part 16 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 and express an opinion on 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 (APB'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 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit 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.

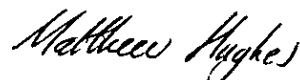
Opinion on other matter prescribed by the Companies Act 2006

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.

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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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.



Matthew Hughes BSc (Hons) ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds, UK

26 September 2013

Cold Drawn Products Limited

Profit and loss account

Year ended 31 December 2012

	Note	2012 £	2011 £
Turnover			
Continuing operations	3	30,205,547	24,082,258
Discontinued operations	3	-	95,275
		<u>30,205,547</u>	<u>24,177,533</u>
Cost of sales	2 3	(24,140,222)	(18,937,410)
Gross profit	3	6,065,325	5,240,123
Distribution costs	3	(628,954)	(571,390)
Administrative expenses			
Exceptional costs	6	-	(119,072)
Other administrative expenses	3	(1,903,500)	(1,617,740)
Total administrative expenses		<u>(1,903,500)</u>	<u>(1,736,812)</u>
Operating profit/(loss)			
Continuing operations	3	3,543,050	3,047,182
Discontinued operations		(10,179)	(115,261)
	4, 3	<u>3,532,871</u>	<u>2,931,921</u>
Interest receivable	8	-	60
Interest payable	7	(35,504)	(84,402)
Profit on ordinary activities before taxation		<u>3,497,367</u>	<u>2,847,579</u>
Taxation	9	(1,174,740)	(807,961)
Profit on ordinary activities after taxation/ profit for the financial year	19	<u><u>2,322,627</u></u>	<u><u>2,039,618</u></u>

There were no recognised gains or losses for the current year or prior year other than those included in the profit and loss account. Therefore no statement of total recognised gains and losses has been presented.

The accompanying notes form an integral part of this profit and loss account.

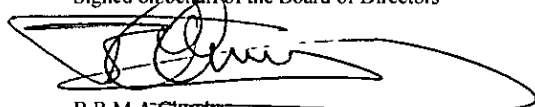
Cold Drawn Products Limited

Balance sheet 31 December 2012

	Note	2012 £	2011 £
Fixed assets			
Goodwill	10	3,677,090	4,902,786
Fixed assets	11	4,836,349	5,508,248
Investments	12	265,202	265,202
		<u>8,778,641</u>	<u>10,676,236</u>
Current assets			
Stocks	13	2,239,575	3,170,309
Debtors	14	3,952,628	3,738,887
Cash at bank and in hand		2,436,183	2,196,983
		<u>8,628,386</u>	<u>9,106,179</u>
Creditors amounts falling due within one year	15	<u>(4,542,048)</u>	<u>(9,223,181)</u>
Net current assets / (liabilities)		<u>4,086,338</u>	<u>(117,002)</u>
Total assets less current liabilities		<u>12,864,979</u>	<u>10,559,234</u>
Provision for liabilities	16	<u>(587,938)</u>	<u>(604,820)</u>
Net assets		<u>12,277,041</u>	<u>9,954,414</u>
Capital and reserves			
Called up share capital	17	2,095,271	2,095,271
Profit and loss account	18	10,181,770	7,859,143
Total shareholder's funds	190	<u>12,277,041</u>	<u>9,954,414</u>

The financial statements of Cold Drawn Products Limited, registered number 95908, were approved by the Board of Directors and authorised for issue on 23 September 2013

Signed on behalf of the Board of Directors



B R M A'Cluydts
Director

The accompanying notes are an integral part of this balance sheet

Cold Drawn Products Limited

Profit and loss account Year ended 31 December 2012

	Note	2012 £	2011 £
Turnover			
Continuing operations	3	30,205,547	24,082,258
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There were no recognised gains or losses for the current year or prior year other than those included in the profit and loss account. Therefore no statement of total recognised gains and losses has been presented.

The accompanying notes form an integral part of this profit and loss account.

Cold Drawn Products Limited

Notes to the financial statements **Year ended 31 December 2012**

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with United Kingdom law and applicable accounting standards.

The company is exempt from the obligation to prepare and deliver group financial statements as afforded by section 400 of Companies Act 2006, as it is itself a subsidiary undertaking of NV Bekaert SA, which prepares group financial statements that are publicly available.

No cash flow statement has been presented, as the company has taken advantage of the dispensation allowed by FRS 1 'Cash flow statements (Revised 1996)'. The financial statements of the company's ultimate parent undertaking, NV Bekaert SA, contain a consolidated cash flow statement which deals with the company's cash flows and is publicly available.

Going concern

In forming their going concern judgement the directors have considered the trading uncertainties arising in the current economic environment, budgets and forecasts for the 12 month period from approval of these financial statements, as well as the adequacy of its resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents amounts receivable for goods net of VAT and trade discounts as delivered to customers in the normal course of business. Revenue is recognised upon delivery of goods to the customer.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and provision for any impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold buildings	5%
Leasehold buildings	Over the remaining period of the lease
Plant and machinery	8 – 20%
Fork lift trucks	20%
Motor vehicles	20% - 33%

Assets under construction are not depreciated until they are in working condition for intended use.

Investments

Investments are stated at cost less provisions for any impairment.

Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding.

Rental under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Cold Drawn Products Limited

Notes to the financial statements Year ended 31 December 2012

1. Accounting policies (continued)

Stocks and work in progress

Stocks and work in progress are stated at the lower of first in, first out cost, including production overheads, and net realisable value. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal. Where necessary, provision is made for obsolete or slow moving stock.

Taxation

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

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not discounted.

Future changes to tax legislation

The Finance Act 2012, which was substantively enacted in July 2012, included provisions to reduce the rate of corporation tax to 23% with effect from 1 April 2013. Accordingly, deferred tax balances have been revalued to the lower rate of 23% in these accounts.

The government has announced that it intends to further reduce the rate of corporation tax to 21% with effect from 1 April 2014. As this legislation was not substantively enacted by 31 December 2012, the impact of the anticipated rate change is not reflected in the tax provisions reported in these accounts.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currency are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Pension costs

For defined contribution scheme the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Intangible fixed assets

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on a straight line basis over its useful economic life, initially estimated at twenty years. Provision is made for any impairment as necessary.

Cold Drawn Products Limited

Notes to the financial statements Year ended 31 December 2012

2. Turnover

Turnover is attributable to one class of business being shaped wire. Turnover arose entirely from the principal activities of the company. The geographical analysis of turnover by destination is as follows:

	2012 £	2011 £
United Kingdom	11,501,455	9,492,492
Rest of Europe	6,087,734	5,083,231
Asia	139,829	408,306
North America	42,584	440,421
Rest of world	12,433,945	8,753,083
	<u>30,205,547</u>	<u>24,177,533</u>

3. Turnover and operating expenses

The smaller of the company's two sites, at Scholes, closed in 2011. Some production was to be transferred to its other site at Low Moor, with circlip wire production being moved to a new Bekaert plant in India. As such the operations at the Scholes site are classified as discontinued.

	2012			2011		
	Continuing operations £	Discontinued operations £	Total £	Continuing operations £	Discontinued operations £	Total £
Turnover	30,205,547	-	30,205,547	24,082,258	95,275	24,177,533
Cost of sales	(24,140,222)	-	(24,140,222)	(18,840,471)	(96,939)	(18,937,410)
Gross profit/(loss)	6,065,325	-	6,065,325	5,241,787	(1,664)	5,240,123
Distribution costs	(628,954)	-	(628,954)	(569,924)	(1,466)	(571,390)
Administrative expenses	(1,903,500)	-	(1,903,500)	(1,624,681)	(112,131)	(1,736,812)
Operating profit/(loss)	<u>3,532,871</u>	<u>-</u>	<u>3,532,871</u>	<u>3,047,182</u>	<u>(115,261)</u>	<u>2,931,921</u>

4. Operating profit

	2012 £	2011 £
Operating profit is stated after charging:		
Depreciation of tangible fixed assets		
Owned assets	757,823	778,376
Assets held under finance leases and hire purchase contracts	10,364	14,235
Operating lease rentals – plant and machinery	52,037	54,427
– land and buildings	254,943	254,556
Amortisation of goodwill	<u>1,225,696</u>	<u>332,393</u>

Cold Drawn Products Limited

Notes to the financial statements Year ended 31 December 2012

4. Operating profit (continued)	2012	2011
	£	£
Analysis of auditor's remuneration		
Fees payable to the company's auditor for the audit of the company's annual financial statements	16,800	15,000
Fees payable to the company's auditor for the audit of other companies in the group headed by NV Bekaert SA	-	2,800
	<hr/>	<hr/>
Total audit fees	16,800	17,800
	<hr/>	<hr/>
Tax services	515	-
	<hr/>	<hr/>
Total non audit fees	515	-
	<hr/>	<hr/>

5. Information regarding directors and employees

No emoluments were received by the directors (2011 £Nil) who held office during the year in respect of their services as directors of the company

Staff costs were as follows

	2012	2011
	£	£
Wages and salaries	4,795,614	3,656,047
Social security costs	559,820	460,696
Other pension costs	70,423	73,522
	<hr/>	<hr/>
	5,425,857	4,190,265
	<hr/>	<hr/>

The average monthly number of employees, including executive directors, during the year was

	2012	2011
	No.	No.
Production	140	116
Selling and distribution	2	2
Administration	13	12
	<hr/>	<hr/>
	155	130
	<hr/>	<hr/>

6. Exceptional costs

In 2011 the closure of the Scholes site, announced in September 2009, resulted in some remaining costs charged to the financial statements mainly in respect of remaining machine moving costs and final site closure costs

7. Interest payable

	2012	2011
	£	£
Interest payable to group companies	35,504	84,402
	<hr/>	<hr/>

Cold Drawn Products Limited

Notes to the financial statements Year ended 31 December 2012

8. Interest receivable

	2012 £	2011 £
Interest receivable from group companies	-	60

9. Taxation

Analysis of charge in year

	2012 £	2011 £
UK corporation tax		
Current tax on income for the year	1,193,555	831,817
Adjustments in respect of prior periods	(1,933)	4,352
Total UK taxation	1,191,622	836,169
Deferred taxation – accelerated capital allowances	(16,882)	(28,208)
Total tax charge	1,174,740	807,961

Factors affecting the tax

The tax assessed for the year is higher (2011 higher) than that resulting from applying the standard rate of corporation tax in the UK of 24.5% (2011 26.5%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	3,497,367	2,847,579
Profit on ordinary activities multiplied by the standard rate of corporation tax of 24.5% (2011 26.5%)	856,759	754,414
Effects of		
Expenses not deductible for tax purposes	8,611	7,329
Capital allowances in deficit of depreciation	52,620	917
Amortisation of intangible asset not deductible	300,262	88,061
Short term timing differences	(1,693)	(18,904)
Group relief	(23,004)	-
Adjustments in respect of prior periods	(1,933)	4,352
Current tax charge for year	1,191,622	836,169

Cold Drawn Products Limited

Notes to the financial statements Year ended 31 December 2012

10. Goodwill

	Purchase of Trade and Assets £
Cost	
At 1 January 2012 and 31 December 2012	6,647,850
Amortisation	
At 1 January 2012	1,745,064
Provided during the year	1,225,696
At 31 December 2012	2,970,760
Net book amount	
At 31 December 2012	3,677,090
At 31 December 2011	4,902,786

In the current year the remaining useful economic life of the goodwill has been reviewed, with the decision taken to accelerate the amortisation of the remaining goodwill on a straight line basis over a 4 year period

11. Tangible fixed assets

	Short Leasehold Land and buildings £	Plant and machinery £	Motor vehicles £	Assets under construction £	Total £
Cost					
At 1 January 2012	899,150	6,800,715	16,382	31,145	7,747,392
Transfer to other category	-	31,145	-	(31,145)	-
Additions	-	96,288	-	-	96,288
Disposals	-	(3,213)	-	-	(3,213)
At 31 December 2012	899,150	6,924,935	16,382	-	7,840,467
Accumulated depreciation					
At 1 January 2012	502,635	1,726,240	10,269	-	2,239,144
Charge for the year	74,587	690,315	3,285	-	768,187
Disposals	-	(3,213)	-	-	(3,213)
At 31 December 2012	577,222	2,413,342	13,554	-	3,004,118
Net book amount					
At 31 December 2012	321,928	4,511,593	2,828	-	4,836,349
At 31 December 2011	396,515	5,074,475	6,113	31,145	5,508,248

Included within tangible fixed assets are leased plant and machinery with a net book value of £7,518 (2011 £17,882)

Cold Drawn Products Limited

Notes to the financial statements Year ended 31 December 2012

12. Fixed assets investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2012 and 31 December 2012	<u>265,202</u>
Provision for impairment	
At 1 January 2012 and 31 December 2012	<u>-</u>
Net book amount	
At 31 December 2011 and 31 December 2012	<u><u>265,202</u></u>

The subsidiary undertakings are as follows

	Class of share capital held	Proportion of share capital held	Nature of business
Lane Brothers Engineering Industries Unlimited	Ordinary £1 shares	50%	Dormant
Barnards Unlimited	Ordinary £1 shares	50%	Dormant
Rylands-Whitecross Limited	Ordinary £1 shares	100%	Dormant

The investment in Rylands-Whitecross Limited was fully written-off as at 31 December 2012

All abovementioned entities are incorporated in England and Wales

13. Stocks

	2012 £	2011 £
Raw materials	979,466	2,006,673
Work-in-progress	336,338	571,402
Finished goods	<u>923,771</u>	<u>592,234</u>
	<u><u>2,239,575</u></u>	<u><u>3,170,309</u></u>

There is no material difference between the balance sheet value of stocks and their replacement cost

14. Debtors

	2012 £	2011 £
Due within one year		
Trade debtors	3,684,415	3,415,712
Amounts owed by group companies	57,467	42,404
Other debtors	<u>210,746</u>	<u>280,771</u>
	<u><u>3,952,628</u></u>	<u><u>3,738,887</u></u>

Cold Drawn Products Limited

Notes to the financial statements Year ended 31 December 2012

15. Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	2,763,045	3,426,602
Amount owed to group undertakings	591,771	5,193,723
Corporation tax	678,023	231,162
Other taxes and social security	176,784	142,410
Other creditors and accruals	332,425	229,284
	<u>4,542,048</u>	<u>9,223,181</u>

16. Provisions for liabilities

	Deferred taxation £
At 1 January 2012	604,820
Credited to the profit and loss account	<u>(16,882)</u>
At 31 December 2012	<u>587,938</u>

The deferred taxation relates to accelerated capital allowances. At the end of the current and previous year the company had no unprovided deferred tax liabilities. At the end of the year the company had an unrecognised deferred tax asset arising from capital losses available for carry forward at the year end of £9,772,428 (2011: £9,772,428).

A deferred tax asset has not been recognised as the directors consider that based on the anticipation of future taxable earnings it is less likely than not that the asset will be recovered.

17. Called up share capital

	Authorised Ordinary £1 shares £	Allotted, called up and fully paid Ordinary shares £1 shares No. £	
At 1 January 2012 and 31 December 2012	<u>5,000,000</u>	<u>2,095,271</u>	<u>2,095,271</u>

18. Reserves

	Profit and loss account £
At 1 January 2012	7,859,143
Profit for the year	<u>2,322,627</u>
At 31 December 2012	<u>10,181,770</u>

Cold Drawn Products Limited

Notes to the financial statements Year ended 31 December 2012

19. Reconciliation of movements in shareholder's funds

	2012 £	2011 £
Opening shareholder's funds	9,954,414	7,914,796
Profit for the year	2,322,627	2,039,618
Closing shareholder's funds	<u>12,277,041</u>	<u>9,954,414</u>

20 Financial commitments

The company had no known contingent liabilities at 31 December 2012 (2011 nil)

At 31 December 2012 the company has annual commitments under non-cancellable operating leases as set out below

	2012 £	2011 £
Operating leases which expire		
Assets other than Land & Buildings		
Within 1 year	4,176	17,512
Within 2 to 5 years	23,934	24,594
	<u>28,110</u>	<u>42,106</u>
Land & Buildings		
Within 2 to 5 years	254,700	273,169
	<u>282,810</u>	<u>315,275</u>

21 Transactions with related parties

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with other wholly owned members of the group headed by NV Bekaert SA on the grounds that 100% of the voting rights in the company are controlled within that group, and the company is included in consolidated financial statements

22. Pension costs

The company contributes to a number of defined contribution schemes. The assets of these schemes are held separately from those of the company in independently administered funds. Contributions paid to the scheme amounted to £70,423 (2011 £73,522)

At the year end, contributions included within creditors totalled £2,606 (2011 £3,275)

23. Parent undertaking and controlling parties

The immediate and ultimate parent company, and ultimate controlling party of the group of undertakings for which largest and smallest group accounts are drawn up and of which the company is a member, is NV Bekaert SA, a company incorporated in Belgium. Copies of NV Bekaert SA accounts can be obtained from NV Bekaert SA, Corporate Communications, President Kennedy Park 18, BE-8500 Kortrijk, Belgium