

COLD DRAWN PRODUCTS LIMITED

Report and Financial Statements

31 December 2009

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COLD DRAWN PRODUCTS LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

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COLD DRAWN PRODUCTS LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

H J Velge
C R A Loncke
N D Purshouse
B R M A Cluydts

SECRETARY

D C Smith

REGISTERED OFFICE

Old Popplewell Lane
Scholes
Cleckheaton
West Yorkshire
BD19 6DE

SOLICITORS

Cobbetts LLP
No 1 Whitehall Riverside
Leeds
LS1 4BN

BANKERS

HSBC plc
14 Bradford Road
Cleckheaton
West Yorkshire
BD19 3JR

AUDITORS

Deloitte LLP
Chartered Accountants and Statutory Auditors
Leeds

COLD DRAWN PRODUCTS LIMITED

DIRECTORS' REPORT (continued)

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

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 £1,653,073 (2008 £3,393,003)

The company paid a dividend during the year of £3,687,677 (2008 £nil)

The company is continuing to develop its offshore business through internal expansion. Prospects in traditional mature markets continue to be challenging, due to increased foreign competition. As a consequence it was announced in September 2009 that the smaller of the company's two sites, at Scholes, would close in 2010. 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.

Overall for the remaining business the foreseeable future looks positive.

KEY PERFORMANCE INDICATORS

Sales growth for the year which is calculated as the percentage of total increase in revenue from continuing operations as a percentage of total prior year revenue from continuing operations is 0.9% (2008 25.5% decrease).

The company looks to maximise its on-time deliveries to customers. In the year the company achieved an on-time delivery success rate of 93% (2008 93%).

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 81% (2008 81%).

The company endeavours to minimise its working capital. At the end of the year net working capital requirement was £1,314,955 (2008 £2,122,272). 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 and the support of the parent company. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

RISKS AND UNCERTAINTIES

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 foreign exchange forward contracts to hedge this exposure. However, none were used in the current year.

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.

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 uses 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.

COLD DRAWN PRODUCTS LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS

The directors who served during the year were as follows

H J Velge
C R A Loncke
N D Purshouse
B R M A Cluydts

CHARITABLE/POLITICAL DONATIONS

The company made charitable and political donations of £Nil (2008 - £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 2009 were 73 days (2008: 59 days)

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 AUDITORS

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

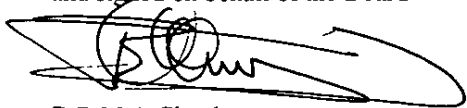
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors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

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

AUDITORS

A resolution for the reappointment of Deloitte LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

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



B R M A Cluydts
Director

14 September 2010

COLD DRAWN PRODUCTS LIMITED

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 AUDITORS' 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 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 24. 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 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, 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 (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.

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 2009 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.

David Johnson B A , A C A (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Leeds
15 September 2010

COLD DRAWN PRODUCTS LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2009

	Note	2009 £	2008 £
TURNOVER			
Continuing operations	3	21,439,791	21,244,022
Discontinued operations	3	7,151,815	10,975,926
		<u>28,591,606</u>	<u>32,219,948</u>
Cost of sales	3	(23,162,655)	(24,249,582)
Gross profit	3	5,428,951	7,970,366
Distribution costs	3	(519,884)	(1,007,913)
Administrative expenses	3	(1,656,057)	(1,822,038)
		<u>(2,175,941)</u>	<u>(2,836,951)</u>
OPERATING PROFIT			
Continuing operations	3	2,301,255	3,083,264
Discontinued operations	3	951,755	2,057,151
		<u>3,253,010</u>	<u>5,140,415</u>
Exceptional costs	6	(1,025,000)	-
Interest receivable	8	262	33,264
Interest payable	7	(49,215)	(308,124)
		<u>(1,071,953)</u>	<u>(274,860)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,179,057	4,865,555
Taxation	9	(525,984)	(1,472,552)
		<u>1,653,073</u>	<u>3,393,003</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION/ PROFIT FOR THE FINANCIAL YEAR	20	1,653,073	3,393,003

There were no recognised gains or losses for the 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

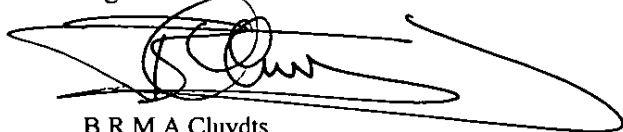
COLD DRAWN PRODUCTS LIMITED

BALANCE SHEET 31 December 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Goodwill	11	5,567,573	5,899,966
Fixed assets	12	6,122,914	6,340,404
Investments	13	265,202	265,202
		<u>11,955,689</u>	<u>12,505,572</u>
CURRENT ASSETS			
Stocks	14	1,228,800	4,405,875
Debtors	15	2,999,279	3,829,283
Cash at bank and in hand		395,212	2,129,778
		<u>4,623,291</u>	<u>10,364,936</u>
CREDITORS: amounts falling due within one year	16	<u>(8,380,364)</u>	<u>(12,517,109)</u>
NET CURRENT LIABILITIES		<u>(3,757,073)</u>	<u>(2,152,173)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,198,616	10,353,399
PROVISION FOR LIABILITIES	17	<u>(495,260)</u>	<u>(615,439)</u>
NET ASSETS		<u>7,703,356</u>	<u>9,737,960</u>
CAPITAL AND RESERVES			
Called up share capital	18	2,095,271	2,095,271
Profit and loss account	19	5,608,085	7,642,689
TOTAL EQUITY SHAREHOLDERS' FUNDS	20	<u>7,703,356</u>	<u>9,737,960</u>

The financial statements of Cold Drawn Products Limited, registered number 95908, were approved by the Board of Directors and authorised for issue on 14 September 2010

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

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

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 and the support of the parent company. 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. 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%
Plant and machinery	8 – 20%
Fork lift trucks	20%
Motor vehicles	20% - 33%

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.

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.

COLD DRAWN PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

1. ACCOUNTING POLICIES (continued)

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 substantially 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 substantially enacted by the balance sheet date. Deferred tax is not discounted.

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, estimated at twenty years. Provision is made for any impairment as necessary.

2. TURNOVER

Turnover is attributable to one class of business being shaped wire.

The analysis of turnover by geographical market, has not been provided as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the company.

COLD DRAWN PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

3 TURNOVER AND OPERATING EXPENSES

In September 2009 it was announced that the smaller of the company's two sites, at Scholes, would close in 2010. 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.

	2009			2008		
	Continuing operations £	Discontinued operations £	Total £	Continuing operations £	Discontinued operations £	Total £
Turnover	21,439,791	7,151,815	28,591,606	21,244,022	10,975,926	32,219,948
Cost of sales	(17,315,845)	(5,846,810)	(23,162,655)	(15,965,369)	(8,284,213)	(24,249,582)
Gross profit	4,123,946	1,305,005	5,428,951	5,278,653	2,691,713	7,970,366
Distribution costs	(312,687)	(207,197)	(519,884)	(573,156)	(434,757)	(1,007,913)
Administrative expenses	(1,510,004)	(146,053)	(1,656,057)	(1,622,233)	(199,805)	(1,822,038)
Operating profit	<u>2,301,255</u>	<u>951,755</u>	<u>3,253,010</u>	<u>3,083,264</u>	<u>2,057,151</u>	<u>5,140,415</u>

4. OPERATING PROFIT

	2009 £	2008 £
Operating profit is stated after charging:		
Depreciation of tangible fixed assets		
Owned assets	1,093,874	857,176
Assets held under finance leases and hire purchase contracts	38,373	93,982
Operating lease rentals – plant and machinery	42,358	37,084
– land and buildings	321,375	291,113
Amortisation of goodwill	<u>332,393</u>	<u>332,393</u>
Fees payable to the company's auditors for the audit of the company's annual accounts	<u>17,100</u>	<u>13,832</u>
Total audit fees	<u>17,100</u>	<u>13,832</u>
Tax services	<u>-</u>	<u>12,834</u>
Total non-audit fees	<u>-</u>	<u>12,834</u>

COLD DRAWN PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

5 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

No emoluments were received by the directors (2008 £Nil) who held office during the year in respect of their services as directors of the company

Staff costs, including directors' emoluments, were as follows

	2009	2008
	£	£
Wages and salaries	4,643,477	5,695,490
Social security costs	551,361	570,233
Other pension costs	113,821	111,408
	<u>5,308,659</u>	<u>6,377,131</u>

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

	2009	2008
	No	No
Production	164	178
Selling and distribution	3	3
Administration	13	13
	<u>180</u>	<u>194</u>

6 EXCEPTIONAL COSTS

The planned closure of the Scholes site, announced in September 2009, resulted in an impairment loss of plant & equipment estimated at £275,000, and estimated redundancy costs of £750,000 (2008 £Nil)

7. INTEREST PAYABLE

	2009	2008
	£	£
Interest payable on finance leases arrangements	-	2,748
Interest payable on other loans and overdrafts	956	-
Interest payable to group companies	48,259	305,376
	<u>49,215</u>	<u>308,124</u>

8. INTEREST RECEIVABLE

	2009	2008
	£	£
Bank interest	11	26,010
Interest receivable from group companies	251	7,254
	<u>262</u>	<u>33,264</u>

COLD DRAWN PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

9. TAXATION

Analysis of charge in year

	2009 £	2008 £
UK corporation tax		
Current tax on income for the year	904,003	1,393,691
Adjustments in respect of prior periods	(257,840)	-
Total UK taxation	646,163	1,393,691
Deferred taxation – accelerated capital allowances	(120,179)	78,861
Total tax charge	525,984	1,472,552

Factors affecting the tax

The tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK of 28%. The differences are explained below

	2009 £	2008 £
Profit on ordinary activities before tax	2,179,057	4,865,555
Profit on ordinary activities multiplied by the standard rate of corporation tax of 28% (2008 28.5%)	610,136	1,386,683
Effects of		
Expenses not deductible for tax purposes	2,605	3,047
Capital allowances in excess of depreciation	(7,256)	(46,817)
Amortisation of intangible asset not deductible	93,070	94,732
Group relief	-	(42,304)
Short term timing differences	205,448	(1,650)
Adjustments in respect of prior periods	(257,840)	-
Current tax charge for year	646,163	1,393,691

A change in the corporation tax rate from 30% to 28% came into effect from 1 April 2008. As such, the standard rate for the prior period is 28.5%.

10. DIVIDENDS ON EQUITY SHARES

	2009 £	2008 £
Amounts recognised as distributions to equity holders in the period		
Final dividend for the year ended 31 December 2008 of £1.76 (2007 nil) per ordinary share	3,687,677	-
Proposed final dividend for the year ended 31 December 2009 of £0.60 (2008 £1.76) per ordinary share	1,257,163	3,687,677

The proposed final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

COLD DRAWN PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

11 GOODWILL

	Purchase of Trade and Assets £
Cost	
At 1 January 2009 and 31 December 2009	6,647,850
Amortisation	
At 1 January 2009	747,884
Provided during the year	332,393
At 31 December 2009	1,080,277
Net book amount	
At 31 December 2009	5,567,573
At 31 December 2008	5,899,966

12. TANGIBLE FIXED ASSETS

	Short Leasehold Land and buildings £	Plant and machinery £	Motor vehicles £	Assets under construction £	Total £
Cost					
At 1 January 2009	642,782	7,139,340	30,704	418,756	8,231,582
Transfer to other category	-	349,421	-	(349,421)	-
Additions	256,368	884,575	11,100	37,714	1,189,757
Disposals	-	(21,520)	(8,750)	-	(30,270)
At 31 December 2009	899,150	8,351,816	33,054	107,049	9,391,069
Accumulated depreciation					
At 1 January 2009	47,874	1,824,910	18,394	-	1,891,178
Impairment losses	-	275,000	-	-	275,000
Charge for the year	251,721	873,917	6,609	-	1,132,247
Disposals	-	(21,520)	(8,750)	-	(30,270)
At 31 December 2009	299,595	2,952,307	16,253	-	3,268,155
Net book amount					
At 31 December 2009	599,555	5,399,509	16,801	107,049	6,122,914
At 31 December 2008	594,908	5,314,430	12,310	418,756	6,340,404

Impairment losses on plant & machinery of £275,000 arose from an estimation of the net book value of assets which are likely to be scrapped on the closure of the Scholes site

COLD DRAWN PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

13. FIXED ASSETS INVESTMENTS

	Shares in subsidiary undertakings £
Cost	
At 1 January 2009 and 31 December 2009	1,965,167
Provision for impairment	
At 1 January 2009 and 31 December 2009	1,699,965
Net book amount	
At 31 December 2008 and 31 December 2009	<u>265,202</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 impaired as at 31 December 2008. The company also had a 50% indirect interest in European Bridge Wire Limited through its holding in Rylands-Whitecross Limited (both of which are dormant).

14. STOCKS

	2009 £	2008 £
Raw materials	262,226	1,770,052
Work-in-progress	500,574	1,362,632
Finished goods	466,000	1,273,191
	<u>1,228,800</u>	<u>4,405,875</u>

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

15. DEBTORS

	2009 £	2008 £
Due within one year		
Trade debtors	2,689,707	3,487,601
Amounts owed by group companies	54,271	46,330
Other debtors	255,301	295,352
	<u>2,999,279</u>	<u>3,829,283</u>

COLD DRAWN PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Trade creditors	2,241,627	5,298,832
Amount owed to group undertakings	4,278,374	5,592,239
Corporation tax	483,516	649,903
Other taxes and social security	328,196	304,388
Other creditors and accruals	1,048,651	671,747
	<u>8,380,364</u>	<u>12,517,109</u>

17. PROVISIONS FOR LIABILITIES

	Deferred taxation £
At 1 January 2009	615,439
Credited to the profit and loss account	(120,179)
At 31 December 2009	<u>495,260</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 a recognised deferred tax asset of £nil (2008 £nil) and an unrecognised deferred tax asset arising from capital losses available for carry forward at the year end of £9,772,000 (2008 £9,772,000).

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.

18. CALLED UP SHARE CAPITAL

	Authorised Ordinary £1 shares £	Allotted, called up and fully paid Ordinary shares £1 shares No.	£
At 1 January 2009 and 31 December 2009	<u>5,000,000</u>	<u>2,095,271</u>	<u>2,095,271</u>

19. RESERVES

	Profit and loss account £
At 1 January 2009	7,642,689
Profit for the year	1,653,073
Dividends paid (note 10)	(3,687,677)
At 31 December 2009	<u>5,608,085</u>

COLD DRAWN PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

20. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2009 £	2008 £
Opening equity shareholders' funds	9,737,960	6,344,957
Profit for the year	1,653,073	3,393,003
Dividends paid (note 10)	(3,687,677)	-
Closing equity shareholders' funds	<u>7,703,356</u>	<u>9,737,960</u>

21. FINANCIAL COMMITMENTS

The company had no known contingent liabilities at 31 December 2009 (2008 nil)

At 31 December 2009 the company has annual commitments under non-cancellable operating leases as set out below

	2009 £	2008 £
Operating leases which expire		
Assets other than Land & Buildings		
Within 2 to 5 years	31,069	38,557
Land & Buildings		
After 5 years	<u>340,000</u>	<u>340,000</u>
	<u>371,069</u>	<u>378,557</u>

22. 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 member 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

23. 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 £113,821 (2008 £111,408)

At the year end, contributions included within creditors totalled £1,181 (2008 £1,437)

24. 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