

Expamet U.K. Limited  
Annual report  
for the year ended 31 December 2004

Registered Number 197900



Expamet U.K. Limited

Annual report

for the year ended 31 December 2004

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# Expamet U.K. Limited

## Directors' report for the year ended 31 December 2004

The directors present their report and audited financial statements of the company for the year ended 31 December 2004.

### Principal activity, review of the business and future developments

The company does not trade.

### Results and dividends

The company's profit and loss account is set out on page 3. The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2004 (2003: £Nil).

### Directors and their interests

The directors who held office during the year are given below:

M Taylor

R H Wilson

The interests of M Taylor and R H Wilson, who are also directors of the ultimate parent company, Clifton House Acquisition Limited, are shown in the annual report of that company.

### Statement of director's responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

Elective resolutions have been passed to dispense with obligations to appoint auditors annually.

On behalf of the Board



R H Wilson

Director

25 April 2005

# Expamet U.K. Limited

## Independent auditors' report to the members of Expamet U.K. Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

### Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors  
Newcastle upon Tyne

25 April 2005

## Expamet U.K. Limited

### Profit and loss account for the year ended 31 December 2004

	Note	2004 £'000	2003 £'000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses/(income)		55	(36)
Operating (loss)/profit		(55)	36
Interest payable and similar charges	3	(5)	(8)
(Loss)/profit on ordinary activities before taxation	1	(60)	28
Tax on (loss)/profit on ordinary activities	4	-	-
(Loss)/profit on ordinary activities after taxation		(60)	28
Dividends		-	-
(Loss)/retained profit for the financial year	9	(60)	28

The company has no recognised gains or losses other than the loss above and therefore no separate statement of total recognised gains or losses has been presented.

There are no material differences between the (loss)/profit on ordinary activities before taxation and the (loss)/retained profit for the year stated above and their historical cost equivalents.

# Expamet U.K. Limited

## Balance sheet as at 31 December 2004

	Note	2004 £'000	2003 £'000
<b>Current assets</b>			
Debtors – falling due after more than one year	5	3,640	4,024
Debtors – falling due within one	5	58	49
		3,698	4,073
<b>Creditors – Amounts falling due within one year</b>	6	(50)	(360)
<b>Net current assets</b>		3,648	3,713
<b>Provisions for liabilities and charges</b>	7	(119)	(124)
<b>Net assets</b>		3,529	3,589
<b>Capital and reserves</b>			
Called up share capital	8	198	198
Profit and loss account	9	3,331	3,391
<b>Total shareholder's funds</b>	10	3,529	3,589
<b>Analysis of shareholder's funds</b>			
Equity		3,463	3,523
Non-equity		66	66
		3,529	3,589

The financial statements on pages 3 to 10 were approved by the board of directors on 25 April 2005 and were signed on their behalf by:



R H Wilson

Director

# **Expamet U.K. Limited**

## **Accounting policies**

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies, which have been applied consistently, are set out below.

### **Cash flow statement and related party disclosures**

The company is a wholly owned subsidiary of Expamet International Limited and is included in the consolidated financial statements of Clifton House Acquisition Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Clifton House Acquisition Limited group or investees of the Clifton House Acquisition Limited group.

### **Deferred taxation**

Deferred tax 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. Deferred tax assets are recognised to the extent that it is regarded more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### **Operating leases**

Operating lease rentals are charged to the profit and loss account as they fall due. Onerous leases are provided where a leased property is vacant for the estimated vacant period plus any anticipated under-recovery thereafter, or for the full length of the lease where a leased property is sub-let at an under-recovery rate.

# Expamet U.K. Limited

## Notes to the financial statements for the year ended 31 December 2004

### 1 (Loss)/profit on ordinary activities before taxation

The (loss)/profit on ordinary activities before taxation is stated after charging/(crediting):

	2004 £'000	2003 £'000
Provision against onerous leases	55	(36)

### 2 Directors' emoluments

Aggregate emoluments were £Nil (2003: £Nil).

### 3 Interest payable and similar charges

	2004 £'000	2003 £'000
Unwinding of discounts on provisions	5	8

### 4 Tax on (loss)/profit on ordinary activities

#### (a) Analysis of tax charge for the period

	2004 £'000	2003 £'000
<b>Current tax:</b>		
United Kingdom corporation tax at 30% (2003: 30%)	-	-
Adjustment in respect of previous years	-	-
Total current tax	-	-
<b>Deferred taxation:</b>		
Origination and reversal of timing differences	-	-
	-	-



# Expamet U.K. Limited

## (b) Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	2004 £'000	2003 £'000
(Loss)/profit on ordinary activities before tax	(60)	28
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003: 30%)	(18)	8
<i>Effects of:</i>		
Expenses not deductible for tax purposes	18	(8)
<b>Current tax charge for the period</b>	-	-

## (c) Factors that may affect future tax charges:

There are no factors that are expected to significantly affect the taxation charge in future years.

## 5 Debtors

	2004 £'000	2003 £'000
<b>Due within one year:</b>		
Other debtors	58	49
	58	49
<b>Due after more than one year:</b>		
Amounts owed by group undertakings	3,640	4,024
	3,698	4,073

## Expamet U.K. Limited

### 6 Creditors – Amounts falling due within one year

	2004 £'000	2003 £'000
Bank loans and overdrafts	42	4
Other creditors	8	31
Amounts owed to group undertakings	-	325
	<b>50</b>	<b>360</b>

Bank loans and overdrafts are payable on demand.

### 7 Provisions for liabilities and charges

	Onerous lease provision £'000
At 1 January 2004	124
Change to the profit and loss account	55
Unwinding of discount added to interest payable	5
Utilised during the year	(65)
<b>At 31 December 2004</b>	<b>119</b>

The company has vacant leasehold properties. Full provision has been made for the remaining period of the lease commitments.

Future cash flows are discounted using Government bond rates at the year end.

# Expamet U.K. Limited

## 8 Called up share capital

	2004 £'000	2003 £'000
<b>Authorised</b>		
140,000 ordinary shares of £1 each (2003: 140,000)	140	140
66,000 4.2% cumulative preference shares of £1 each (2003: 66,000)	66	66
	<b>206</b>	<b>206</b>
<b>Allotted and fully paid</b>		
132,000 ordinary shares of £1 each (2003: 132,000)	132	132
66,000 4.2% cumulative preference shares of £1 each (2003: 66,000)	66	66
	<b>198</b>	<b>198</b>

The cumulative preference shareholders have the right to a cumulative preference dividend payable half yearly on 30 June and 31 December, ranking pari passu with other preference shares but ahead of all other classes of shares or stock. On winding up the preference shares rank pari passu with other preference shares but ahead of all other classes of shares or stock. The preference shares do not carry any voting rights other than at a meeting called for the wind up of the company or when dividends are in arrears and remain unpaid.

The directors have received confirmation from the preference shareholders that they have waived their rights to dividends up to 31 December 2004 to the extent not already paid.

## 9 Profit and loss account

	2004 £'000
At 1 January 2004	3,391
Loss for the financial year	(60)
<b>At 31 December 2004</b>	<b>3,331</b>

## Expamet U.K. Limited

### 10 Reconciliation of movements in shareholder's funds

	2004 £'000	2003 £'000
(Loss)/profit for the year	(60)	28
Dividends	-	-
Net (reduction)/increase in equity shareholder's funds	(60)	28
Opening shareholder's funds	3,589	3,561
<b>Closing shareholder's funds</b>	<b>3,529</b>	<b>3,589</b>

### 11 Contingent liabilities

Lloyds TSB Bank PLC has a right of set-off between balances held by the company and other UK fellow subsidiaries of Clifton House Acquisition Limited, with a maximum exposure equal to the entire cash balance of the company.

### 12 Ultimate parent undertaking

The immediate parent undertaking is Expamet International Limited.

The ultimate parent undertaking and controlling party is Clifton House Acquisition Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Clifton House Acquisition Limited consolidated financial statements can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.