

401174/117

**BARTON ALUMINIUM FOUNDRIES LIMITED**

The Directors submit herewith their report and the accounts for the  
year ended 31st December 1980

PRINCIPAL ACTIVITY Aluminium Die Casting

SALES £2,985,248

EXPORT  
SALES NIL

PROFIT There was a Loss of £93,287

TAXATION There was a credit of £222,698

PROFIT AFTER TAX £129,411

PROPOSED DIVIDEND NIL

TRANSFER TO RESERVE The surplus has been transferred to Revenue Reserve giving a balance of £318,880 to be carried forward into next year.

CHANGES IN FIXED ASSETS Details of the changes are shown in the statement of Fixed Assets attached to the Accounts.

DIRECTORS AND THEIR  
SHAREHOLDINGS

Date of  
Appointment  
if during year

Holding of Barton & Sons Ltd Stock

At commencement of year or date of appointment	At end of year
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G.B. Sheldon

7,200 Ordinary	7,920 Ord
200 Preference	200 Pre

J.S. Roper

11,544 Ordinary	12,823 Ord
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D.I. Waterman

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B.W. Rogers

-	-
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G. Harball

-	-
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M.V. Williams (Mrs)

-	-
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A.E. Warn

18.11.1980

1,621 Ordinary	1,783 Ord
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W.D. Nash

18.11.1980

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14 SEP 1981

BARTON ALUMINIUM FOUNDRIES LIMITED

(formerly Aluminium Die Castings

(Birmingham) Limited)

STATEMENTS OF ACCOUNTS

31st DECEMBER, 1980

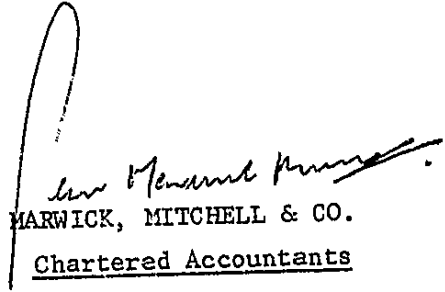
REPORT OF THE AUDITORS TO THE MEMBERS OF  
BARTON ALUMINIUM FOUNDRIES LIMITED  
(formerly Aluminium Die Castings (Birmingham) Limited)

We have audited the accounts set out on pages 2 to 9 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared on the basis of the accounting policies set out on page 5, give a true and fair view of the state of the company's affairs at 31st December, 1980 and of its profit and source and application of funds for the period to that date and comply with the Companies Acts, 1948 to 1980.

7 MAY 1981

Birmingham

  
PEAT, MARWICK, MITCHELL & CO.  
Chartered Accountants

BARTON ALUMINIUM FOUNDRIES LIMITED  
 (formerly Aluminium Die Castings (Birmingham) Limited)  
PROFIT & LOSS ACCOUNT

<u>17 Months ended</u> <u>31st December 1979</u>		<u>Notes</u>	<u>Year ended</u> <u>31st December 1980</u>	
<u>£</u>	<u>£</u>		<u>£</u>	<u>£</u>
<u>3,790,873</u>	Turnover			<u>2,985,248</u>
	<u>(Loss)/profit of trading</u>			
	after charging:-			
51,618	Directors' remuneration	2	35,993	
78,208	Depreciation		80,375	
-	Plant hire		6,012	
			7,000	
<u>3,000</u>	Auditors' remuneration			(93,287)
134,238	<u>(Loss)/profit before taxation</u>			222,698
(2,151)	<u>Taxation</u>	3		129,411
132,087	<u>Profit after taxation</u>			-
250,000	Dividend			<u>129,411</u>
<u>(117,913)</u>	<u>Retained profit/(loss)</u>			

BARTON ALUMINIUM FOUNDRIES LIMITED  
 (formerly Aluminium Die Castings (Birmingham) Limited)  
BALANCE SHEET  
31ST DECEMBER, 1980

<u>31st December</u>					
<u>1979</u>					<u>31st December</u>
<u>£</u>			<u>Notes</u>	<u>£</u>	<u>1980</u>
330,322	<u>Fixed assets</u>		4		<u>£</u>
	<u>Current assets</u>				458,647
609,219	Stock and work in progress	5		546,745	
752,410	Debtors			1,040,240	
-	Due from fellow subsidiaries			335	
2,050	Cash in hand			980	
-	Taxation recoverable			45,676	
<u>1,363,679</u>				<u>1,633,976</u>	
	<u>Less current liabilities</u>				
120,589	Bank overdraft			482,877	
528,712	Creditors			486,568	
34,383	Due to fellow subsidiaries			31,246	
7,010	Taxation			-	
<u>690,694</u>				<u>1,000,691</u>	
672,985	Net current assets				633,285
<u>1,003,307</u>					<u>1,091,932</u>
	<u>Financed by</u>				
20,290	Share capital	6		20,290	
189,469	Profit and loss account			318,880	
<u>209,759</u>				<u>339,170</u>	
	<u>Deferred liabilities</u>				
615,659	Due to parent company				752,762
647	Corporation tax due 1st January, 1981				-
177,242	Deferred taxation	7			-
<u>1,003,307</u>					<u>1,091,932</u>

G.B. SHELDON)  
*J.S. Roper* J.S. ROPER ) DIRECTORS

BARTON ALUMINIUM FOUNDRIES LIMITED  
 (formerly Aluminium Die Castings (Birmingham) Limited)  
STATEMENT OF SOURCE AND APPLICATION OF FUNDS

17 Months ended 31st December 1979 <u>£</u>		Year ended 31st December 1980 <u>£</u>
	<u>Source of Funds</u>	
134,238	(Loss) Profit before tax	(93,287)
78,208	Depreciation	80,375
84,813	Sales of fixed assets	4,472
<u>297,259</u>		<u>(8,440)</u>
	<u>Application of Funds</u>	
64,882	Taxation paid	7,877
271,000	Dividends paid	-
372,378	Purchase of fixed assets	213,172
(203,718)	Additional working capital	269,902
<u>504,542</u>		<u>490,951</u>
<u>(207,283)</u>	Net outflow financed by increased borrowings	<u>(499,391)</u>
	Additional working capital is made up of:-	
(707,856)	Inter company balances	3,472
113,081	Stock	(62,474)
371,809	Debtors	287,830
19,248	Creditors	42,144
-	Cash in hand	(1,070)
<u>(203,718)</u>		<u>269,902</u>

BARTON ALUMINIUM FOUNDRIES LIMITED  
 (formerly Aluminium Die Castings (Birmingham) Limited)

NOTES TO THE ACCOUNTS

31ST DECEMBER 1980

1. Accounting policies

Convention

The accounts are prepared under the historical cost convention.

Depreciation

Depreciation is provided upon fixed assets on a straight line basis at an annual rate which is estimated to write off the cost of the assets over the period of their normal working life. Rates used are:

Leasehold land and buildings	- length of lease
Plant and machinery	- 10% to 33.1/3%
Motor vehicles	- 25%

Stock and work in progress

Stock and work in progress have been valued at the lower of cost including an appropriate addition for production overheads and net realisable value on a basis consistent with the previous period. Due allowance has been made for obsolete or slow moving items.

Deferred taxation

Provision is made at 52% for taxation deferred as a result of accelerated capital allowances and stock appreciation relief. No provision is made if, in the opinion of the directors, the taxation in question will not become payable in the foreseeable future.

Turnover

Turnover is the value of goods sold and services rendered to concerns excluding group companies, net of value added tax.

Government grants

All capital grants are credited to the cost of fixed assets in the year they are receivable.

Repairs

Expenditure on repairs and renewals is written off in the period in which it is incurred.

2. Directors' Remuneration

Directors' remuneration excluding pension contributions was divided as follows:

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BARTON ALUMINIUM FOUNDRIES LIMITED  
 (formerly Aluminium Die Castings (Birmingham) Limited)

NOTES TO THE ACCOUNTS

31ST DECEMBER 1980  
 (continued)

2. Directors' Remuneration (continued)

	<u>1980</u> <u>Number</u>	<u>17 months ended</u> <u>31st December 1979</u>
£0 - £5,000	4	8
£5,001 - £10,000	1	1
£10,001 - £15,000	2	1
£15,001 - £20,000	-	1

The remuneration of the Chairman and highest paid director was as follows: -

	<u>1980</u> <u>£</u>	<u>17 months ended</u> <u>31st December 1979</u> <u>£</u>
Chairman	-	-
Highest paid Director	13,032	16,673

3. Taxation

The credit (charge) for taxation comprises: -

	<u>1980</u> <u>£</u>	<u>17 months ended</u> <u>31st December 1979</u> <u>£</u>
Corporation Tax recoverable (payable) based on losses (profits) adjusted for tax purposes	45,900	(647)
Deferred taxation	-	(1,594)
Release of deferred taxation re. stock relief	177,242	-
Adjustments re. prior years	(444)	90
	<u>222,698</u>	<u>(2,151)</u>

Stock relief for 1980 has been computed in accordance with the new proposals contained in the consultative document issued on 14th November 1980 by the Inland Revenue, using a provisional inflation rate of 9%. The effect of this has been to release an amount of £177,242 from deferred taxation.

The new stock relief proposals indicate that clawback of previous relief will not arise in normal circumstances. Accordingly the balance of the provision for deferred taxation has been released.

No charge has been made for deferred taxation in respect of accelerated capital allowances since, in the opinion of the directors, this will not become payable in the foreseeable future. The potential tax charge, net of the effect of losses carried forward would be nil (1979: £32,409).



BARTON ALUMINIUM FOUNDRIES LIMITED  
 (formerly Aluminium Die Castings (Birmingham) Limited)

NOTES TO THE ACCOUNTS

31ST DECEMBER 1980  
 (continued)

4. FIXED ASSETS

	<u>Total</u> <u>£</u>	<u>Long</u> <u>Leasehold</u> <u>land and</u> <u>buildings</u> <u>£</u>	<u>Plant</u> <u>£</u>	<u>Motor</u> <u>Vehicles</u> <u>£</u>
<u>Cost</u>				
Cost at 1.1.80	606,459	195,875	377,830	32,754
Additions during period	213,172	53,679	138,920	20,573
	819,631	249,554	516,750	53,327
Disposals	(72,584)	-	(59,758)	(12,826)
Inter group transfers	(1,027)	-	(1,027)	-
Cost and Gross Depreciable Assets at 31.12.80	<u>746,020</u>	<u>249,554</u>	<u>455,965</u>	<u>40,501</u>
<u>Depreciation</u>				
Depreciation at 1.1.80	276,137	2,816	251,344	21,977
Less Depreciation upon disposals	(68,112)	-	(59,758)	(8,354)
Inter group transfers	(1,027)	-	(1,027)	-
	206,998	2,816	190,559	13,623
Charge for the period	80,375	3,946	68,673	7,756
Depreciation at 31.12.80	<u>287,373</u>	<u>6,762</u>	<u>259,232</u>	<u>21,379</u>
Net Book Value at 31.12.80	<u>458,647</u>	<u>242,792</u>	<u>196,733</u>	<u>19,122</u>
Net Book Value at 1.1.80	<u>330,322</u>	<u>193,059</u>	<u>126,486</u>	<u>10,777</u>

5. Stock and work in progress

	<u>1980</u> <u>£</u>	<u>1979</u> <u>£</u>
Stock of materials and consumables	73,628	191,943
Processed stock	261,841	264,824
Die work in progress	211,276	152,452
	<u>546,745</u>	<u>609,219</u>

BARTON ALUMINIUM FOUNDRIES LIMITED  
 (formerly Aluminium Die Castings (Birmingham) Limited)

NOTES TO THE ACCOUNTS

31ST DECEMBER 1980  
 (continued)

6. Share Capital

	<u>Authorised</u>		<u>Issued and Fully Paid</u>	
	<u>1980</u>	<u>1979</u>	<u>1980</u>	<u>1979</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Ordinary shares of 10p each	25,000	4,555	20,290	1,845
Deferred ordinary shares of £1 each	-	18,455	-	18,445
6% cumulative preference shares of £1 each	-	2,000	-	-
	<u>25,000</u>	<u>25,000</u>	<u>20,290</u>	<u>20,290</u>

At an Extraordinary General Meeting, on 18th April 1980, 2,000 6% cumulative preference shares of £1 each were converted to 20,000 ordinary shares of 10p each and 18,445 deferred ordinary shares of £1 each were converted to 184,450 ordinary shares of 10p each.

7. Deferred Taxation

The amount of deferred taxation calculated on the liability method is as detailed below:

	<u>1980</u>	<u>1979</u>
	<u>£</u>	<u>£</u>
Due to accelerated capital allowances	59,700	77,726
Losses carried forward	(77,200)	-
Due to stock relief	205,660	177,242
	<u>188,160</u>	<u>254,968</u>

In view of the new stock relief proposals explained in Note 3 the provision for deferred taxation in respect thereof and provided at 31st December 1979 has been released in full.

In the opinion of the directors deferred taxation due to accelerated capital allowances will not become payable in the foreseeable future and accordingly no provision has been made in the accounts.

8. Guarantee

The company has given a guarantee to secure jointly and severally with certain fellow subsidiaries, obligations arising in connection with the group banking arrangements.

BARTON ALUMINIUM FOUNDRIES LIMITED  
 (formerly Aluminium Die Castings (Birmingham) Limited)

NOTES TO THE ACCOUNTS

31ST DECEMBER 1980  
 (continued)

9. Capital Expenditure Sanctioned and Committed

The aggregate of the amounts of capital expenditure sanctioned but not incurred at the end of the period and the portion of this amount contracted at that date are as follows:-

	<u>Sanctioned</u>	<u>Committed</u>
	<u>£</u>	<u>£</u>
1979	245,000	90,000
1980	4,000	4,000

10. Contracts

There were no disclosable contracts or arrangements subsisting at any time during the year between the company and any of its directors.

11. ULTIMATE HOLDING COMPANY

Barton & Sons Ltd., a company incorporated in England is the ultimate holding company.