

**COOKSON INVESTMENTS LIMITED**  
(Registration No: 476641)

**FINANCIAL STATEMENTS**

**31 DECEMBER 1994**



# **COOKSON INVESTMENTS LIMITED**

## **DIRECTORS' REPORT**

The directors submit their annual report and financial statements for the year ended 31 December 1994.

### **Principal Activities**

The principal activity of the Company is the holding of investments.

### **Review of Developments**

The Company disposed of its investment in Cookson Ceramica Lda. during the year. The loss for the year transferred from reserves was £281. The directors do not recommend the payment of a dividend.

### **Directors**

The directors who served during the year were as follows:

RM Oster  
IS Barr  
SL Howard  
RMH Malthouse

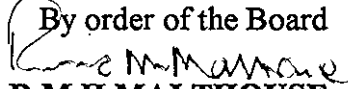
During the year no director had any beneficial interest in the shares of the Company.

RM Oster, IS Barr and SL Howard are also directors of Cookson Group plc, the holding company. Their interests in and the options to purchase shares in Cookson Group plc are shown in the financial statements of that company. As at 31 December 1994, RMH Malthouse held interests in 4,705 ordinary shares (31 December 1993: 4,587) and options to purchase 65,734 ordinary shares (31 December 1993: 28,903) in Cookson Group plc.

During the year RMH Malthouse was granted 36,831 options and exercised no options.

### **Auditors**

On 6 February 1995 the Company's auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. In accordance with section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board  
  
**R M H MALTHOUSE**

Secretary

29 September 1995

130 Wood Street  
London  
EC2V 6EQ

**DIRECTORS' RESPONSIBILITY STATEMENT TO THE MEMBERS**  
**OF COOKSON INVESTMENTS LIMITED**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



**I S BARR**  
**DIRECTOR**

29 September 1995

**REPORT OF THE AUDITORS, KPMG**  
**TO THE MEMBERS OF COOKSON INVESTMENTS LIMITED**

We have audited the financial statements on pages 5 to 9.

*Respective responsibilities of directors and auditors*

As described on page 3, the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements, and to report our opinion to you.

*Basis of 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 as at 31 December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG  
Chartered Accountants  
Registered Auditors  
LONDON

29 September 1995

**COOKSON INVESTMENTS LIMITED****PROFIT AND LOSS ACCOUNT****For the year ended 31 December 1994**

	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
Loss on sale of fixed asset investment		(362)	-
Interest receivable and similar income	2	85	52
Interest payable and similar charges	3	-	(244)
		-----	-----
Loss on ordinary activities before taxation		(277)	(192)
Tax on loss on ordinary activities	6	(4)	(17)
		-----	-----
Loss for the financial year	10	<u>(281)</u>	<u>(209)</u>

The loss for the year relates wholly to continuing operations.

There were no recognised gains or losses other than those disclosed in the profit and loss account.

**COOKSON INVESTMENTS LIMITED****BALANCE SHEET****As at 31 December 1994**

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
<b>FIXED ASSETS</b>			
Investment	7	-	558
<b>CURRENT ASSETS</b>			
Debtors	8	317,656,891	317,658,273
Cash at bank		-	10,825
		317,656,891	317,669,098
<b>CREDITORS:</b>			
Amounts falling due within one year	9	(302,309,265)	(302,321,749)
<b>NET CURRENT ASSETS</b>		15,347,626	15,347,349
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>15,347,626</u>	<u>15,347,907</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital:			
Authorised, allotted, called up and fully paid ordinary share of £1 each		100	100
Profit and loss account	10	15,347,526	15,347,807
		<u>15,347,626</u>	<u>15,347,907</u>

The accounts on pages 5 to 9 were approved by the board of directors on 24 September 1995 and were signed on its behalf by:



**I S BARR**  
**DIRECTOR**

# **COOKSON INVESTMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. ACCOUNTING POLICIES**

**a) Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**b) Presentation of financial statements**

The company is exempt by virtue of S228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements since the Company is itself a wholly owned subsidiary of Cookson Group plc. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company is exempt from the requirement of FRS 1 to prepare a cash flow statement as its cash flows are included within the consolidated cash flow statement of Cookson Group plc.

**c) Fixed Asset Investments**

Fixed asset investments are stated at cost, less any provision for diminution in value where these are expected to be permanent.

**d) Foreign Currency Translation**

Transactions denominated in foreign currency are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the exchanged rate ruling on the balance sheet date. Any gains or losses arising from this retranslation are taken into the profit and loss account for the year.

### **2. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<u>1994</u>	<u>1993</u>
	£	£
Other interest receivable	16	52
Exchange gain	69	-
	-----	-----
	85	52
	=====	=====

### **3. INTEREST PAYABLE AND SIMILAR CHANGES**

	<u>1994</u>	<u>1993</u>
	£	£
Exchange loss	-	(244)
	=====	=====

# **COOKSON INVESTMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

### **4. DIRECTORS' AND AUDITORS' REMUNERATION**

The directors received no remuneration in respect of their services to the Company during the year. Auditors' remuneration is borne by the holding company.

### **5. STAFF NUMBERS AND COSTS**

Other than the directors, the Company had no employees during the year.

### **6. TAX ON LOSS ON ORDINARY ACTIVITIES**

	<u>1994</u> £	<u>1993</u> £
Corporation tax at 33% (1993: 33%)	4	17

### **7. FIXED ASSET INVESTMENT**

	<u>1994</u> £	<u>1993</u> £
Cost at 1 January	558	436
Disposals in year	(558)	-
Additions in year	-	122
	-----	-----
Net book value at 31 December	-	558

The investment represented a minority shareholding in Cookson Ceramica Lda, a fellow subsidiary, which is incorporated in Portugal.

### **8. DEBTORS: Amounts falling due within one year**

	<u>1994</u> £	<u>1993</u> £
Amounts owed by fellow subsidiaries	317,656,891	317,658,273



## **COOKSON INVESTMENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

#### **9. CREDITORS: Amounts falling due within one year**

	<b><u>1994</u></b> £	<b><u>1993</u></b> £
Amounts owed to holding company	302,309,260	302,321,830
Corporation tax	5	(81)
	<u>302,309,265</u>	<u>302,321,749</u>

#### **10. PROFIT AND LOSS ACCOUNT**

	<b><u>1994</u></b> £	<b><u>1993</u></b> £
Balance at 1 January	15,347,807	15,348,016
Loss for the financial year	(281)	(209)
	<u>15,347,526</u>	<u>15,347,807</u>

#### **11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	£
At 1 January 1994	15,347,907
Loss for the financial year	(281)
	<u>15,347,626</u>

#### **12. ULTIMATE HOLDING COMPANY**

The ultimate holding company of the Company is Cookson Group plc, which is registered in England.

The largest group in which the results of the Company are consolidated is that headed by Cookson Group plc. The accounts are available to the public and may be obtained from 130 Wood Street, London, EC2V 6EQ.

No other group accounts include the results of the Company.