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Company Registration No. 995387 (England and Wales)

PRESSPART MANUFACTURING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

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PRESSPART MANUFACTURING LIMITED

COMPANY INFORMATION

Directors	D J Biggs J Hemy G Clark (Appointed 19 January 2009) D Schmitz C Watling
Secretary	D Schmitz
Company number	995387
Registered office	Whitebirk Industrial Estate Blackburn BB1 5RF
Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Bankers	HSBC Bank plc 60 Church Street Blackburn BB1 5AS
Solicitors	Cobbetts LLP 58 Mosley Street Manchester M2 3HZ

PRESSPART MANUFACTURING LIMITED

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PRESSPART MANUFACTURING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

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

Principal activities and review of the business

Activities

The company is a wholly owned subsidiary of the Heitkamp & Thumann Group, an international group of medium sized companies in the metal and plastic processing industry, with a head office in Germany. Within the four divisions of this group Presspart Manufacturing Limited operates in the Drawn Components Division.

The activity of Presspart Manufacturing Limited in the United Kingdom is to manufacture high precision deep drawn metal parts for the Pharmaceutical industry as well as Speciality parts for other applications.

Financial performance

As shown in the company's profit and loss account on page 7, total company sales have decreased by 27% due to the closure of the automotive division in 2008. Sales from continuing operations have decreased by 15%.

Total gross operating margins have decreased by 4.8% compared to the previous year. The gross operating margin on continuing operations has decreased by 4.1% compared to the previous year.

Trade debtors of Presspart Manufacturing Limited at 31 December 2009 were equivalent to 34 days (2008 - 21 days). In 2008 Trade debtor days without automotive sales would have been 25 days. The main reason for the increase is due to the timing of sales to American customers.

Inventory days of Presspart Manufacturing Limited at 31 December 2009 were 28 days (2008 - 28 days). 2008 Inventory days without the automotive sales would have been 33 days. The main reason for the 5 day improvement is due to a focus on Speciality stock and a change in stock holding strategy.

The cash balance of Presspart Manufacturing Limited at the year end was £0.695m (2008 - £1.165m) a decrease of £0.470m. Full details of the movement between opening and closing cash balances over the year can be found in the cash flow statement on page 10.

Dividends

A dividend of £1.485m was paid for the year ended 31 December 2009 to our Parent Company (2008 - £1.5m).

Future prospects

After the sales decrease as a result of the Automotive exit and the drop in the world economy in 2009 the directors expect an increased level of activity over the forthcoming year.

PRESSPART MANUFACTURING LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2009

Presspart Manufacturing Limited remains totally dedicated to its core business, the Pharmaceutical and Speciality Divisions. In 2009 a strategic review of the Speciality business took place, which resulted in several new projects for a wide range of new products. This will lead to increased sales and a wider product diversification in 2010. An external consultant has been hired to help Presspart focus on continuing operational improvements through lean sigma activities.

Risks and uncertainties

Competitive global pressure is a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages this risk by providing high quality products to its customers, having fast response times in supplying products, and by maintaining strong long-term relationships with customers.

The fluctuations in raw material market prices and scrap prices are a continuing and high ranking risk to the business. Current volatility in the sterling to euro rate intensifies this risk as the majority of raw material purchases come from European suppliers. The company continues to try to minimise this risk by entering into long term supplier contracts with partial price hedging.

Credit risk

Presspart Manufacturing Limited has a credit control policy where appropriate credit checks are made on potential customers and suppliers before any transactions occur. For existing customers the company monitors their continued creditability via an external rating agency. A monthly reporting structure is established to make directors aware of any changes to credit risks.

Health safety and environment

Presspart Manufacturing Limited is engaged in the manufacture of deep drawn metal pressings to a range of different industries. We recognise our responsibility in supplying products to our customers whilst striving to provide quality excellence, and endeavouring to minimise the impact on the environment. In pursuit of environmental excellence, we operate an Environmental Management System in compliance with the ISO 14001:2004 certification. Through this system we establish and review objectives, targets and improvement programmes in line with our significant environmental targets. Significant investment continues to be made in Health Safety and Environmental projects, where particular attention has been given to improving energy efficiency.

Future objectives include implementation of the OHSAS 18001 standard for Occupational Health and Safety.

Employment policies

Details of employees and related costs can be found in note 23 to the financial statements on page 26.

Presspart Manufacturing Limited is committed to ensuring equal opportunities for all current and potential members of the company. It is committed to the promotion of standards of personal conduct based on respect for and the dignity of individuals. It is the company's policy to provide a working environment free from discrimination. All employees of Presspart are expected to support and contribute to the maintenance of this policy.

PRESSPART MANUFACTURING LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2009

Employment of disabled people

The company gives full and fair consideration to any application for employment made by disabled people, having regard to their particular aptitude and abilities. Should employees become disabled, consideration would be given to appropriate training, including retraining for alternative work within the company.

Creditors payment policy

It is the policy of the company to agree appropriate terms and conditions for its transactions with suppliers and that payments should be made in accordance with these terms and conditions, providing that the supplier has also complied with them.

Where possible the company will take advantage of early settlement discounts. Trade creditors of Presspart Manufacturing Limited at 31 December 2009 were equivalent to 12 days (2008 - 12 days).

Results and dividends

The results for the year are set out on page 7.

Directors

The 2009 membership of the board is shown below. A new Managing Director joined the board on the 19th January 2009. All other directors served throughout the year.

D J Biggs

J Hemy

G Clark

(Appointed 19 January 2009)

D Schmitz

C Watling

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

PRESSPART MANUFACTURING LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2009

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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

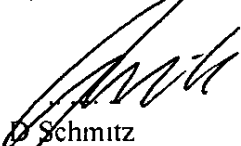
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



D. Schmitz

Secretary

15 March 2010

PRESSPART MANUFACTURING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRESSPART MANUFACTURING LIMITED

We have audited the financial statements of Presspart Manufacturing Limited for the year ended 31 December 2009 set out on pages 7 to 29. 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 set out on pages 1 - 4, 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 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.

PRESSPART MANUFACTURING LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF PRESSPART MANUFACTURING LIMITED**

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

Lorenzo Mosca (Senior Statutory Auditor)
for and on behalf of Saffery Champness

15 March 2010

**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

PRESSPART MANUFACTURING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 £000	2008 £000
Turnover	2		
Continuing operations		18,585	21,747
Discontinued activities		-	3,639
		<u>18,585</u>	<u>25,386</u>
Cost of sales		(14,714)	(18,887)
Gross profit		<u>3,871</u>	<u>6,499</u>
Distribution costs		(1,172)	(1,293)
Administrative expenses		(1,172)	(1,470)
Operating profit	4		
Continuing operations		1,527	2,674
Discontinued activities		-	1,062
		<u>1,527</u>	<u>3,736</u>
Exceptional items	4	-	(315)
Profit on ordinary activities before interest		<u>1,527</u>	<u>3,421</u>
Investment income	5	-	199
Other interest receivable and similar income	5	67	154
Interest payable and similar charges	6	(189)	(6)
Profit on ordinary activities before taxation		<u>1,405</u>	<u>3,768</u>
Tax on profit on ordinary activities	7	(414)	(1,002)
Profit for the year	18	<u><u>991</u></u>	<u><u>2,766</u></u>

The notes on pages 11 to 29 form part of these financial statements

PRESSPART MANUFACTURING LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	£000	£000
Profit for the financial year	991	2,766
Actuarial loss on pension scheme	(1,710)	(466)
Movement on deferred tax relating to pension asset	451	100
	<hr/>	<hr/>
Total gains and losses recognised since last financial statements	(268)	2,400
	<hr/>	<hr/>

PRESSPART MANUFACTURING LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2009**

	Notes	2009 £000	2008 £000
Fixed assets			
Tangible assets	9	6,561	6,420
Current assets			
Stocks	10	1,394	1,885
Debtors	11	3,737	4,370
Cash at bank and in hand		695	1,165
		<u>5,826</u>	<u>7,420</u>
Creditors: amounts falling due within one year	12	<u>(1,646)</u>	<u>(2,744)</u>
Net current assets		<u>4,180</u>	<u>4,676</u>
Total assets less current liabilities		<u>10,741</u>	<u>11,096</u>
Creditors: amounts falling due after more than one year	13	(16)	(13)
Provisions for liabilities	14	(838)	(756)
Accruals and deferred income	15	(12)	(16)
		<u>9,875</u>	<u>10,311</u>
Retirement benefit obligations		<u>(2,855)</u>	<u>(1,538)</u>
		<u>7,020</u>	<u>8,773</u>
Capital and reserves			
Called up share capital	17	25	25
Profit and loss account	18	6,995	8,748
Shareholders' funds	19	<u>7,020</u>	<u>8,773</u>

The notes on pages 11 to 29 form part of these financial statements

Approved by the Board and authorised for issue on 15 March 2010

G Clark
Director

D Schmitz
Director

Company Registration No. 995387

PRESSPART MANUFACTURING LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	£000	2009 £000	2008 £000
Net cash inflow from operating activities	26		2,145	6,130
Exceptional items			-	(459)
Returns on investments and servicing of finance				
Interest received		67	107	
Interest paid		(1)	(6)	
Net cash inflow for returns on investments and servicing of finance			66	101
Taxation			(883)	(871)
Capital expenditure and financial investment				
Payments to acquire tangible assets		(1,062)	(930)	
Loan to group company		-	(2,400)	
Repayment of loan by group company		750	-	
Receipts from sales of tangible assets		5	1,336	
Net cash outflow for capital expenditure and financial investment			(307)	(1,994)
Equity dividends paid			(1,485)	(2,250)
Net cash (outflow)/inflow before management of liquid resources and financing			(464)	657
Financing				
Capital element of hire purchase contracts		(6)	(5)	
Net cash outflow from financing			(6)	(5)
(Decrease)/increase in cash in the year	27, 28		(470)	652

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

The transitional arrangements of FRS 15 have been adopted in the case of certain plant and machinery and properties which were revalued prior to the implementation of that standard. The plant and machinery was last revalued in 1988 and the properties were last revalued in 1991 and the valuations have not subsequently been updated.

Depreciation is not provided on freehold land. On other assets it is provided on cost in equal instalments over the estimated useful lives of the assets. Provision is made for any impairment. The rates of depreciation are as follows:

Land and buildings Freehold	40 years
Plant and machinery	3 - 20 years
Fixtures, fittings & equipment	10 years
Motor vehicles	4 years

1.5 Leasing and hire purchase commitments

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Operating lease rentals are charged to the income statement in equal annual amounts over the lease term.

1.6 Stock

Stocks and work-in-progress, other than on long-term contracts, are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price, less all further costs to completion and all relevant marketing, selling and distribution costs.

1.7 Revenue recognition

Revenue is recognised when goods have been delivered to the customer.

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

(continued)

1.8 Pensions

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contribution 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.

For the defined benefit section the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other financial costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

The defined benefit section is funded, with the assets held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

1.9 Foreign currency translation

Transactions denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

1.10 Government grants

Government grants received are treated as deferred credit and released to revenue over the life of the asset to which they relate.

1.11 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at 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 the financial statements.

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.

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009

2 Turnover

The total turnover of the company for the year has been derived from its principal activity

Geographical market

	Turnover	
	2009	2008
	£000	£000
United Kingdom	1,417	2,668
Rest of Europe	12,550	16,826
The Americas	1,738	2,241
Other	2,880	3,651
	<u>18,585</u>	<u>25,386</u>

3 Cost of sales and net operating expenses

	2009			2008		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
	£000	£000	£000	£000	£000	£000
Cost of sales	14,714	-	14,714	16,325	2,562	18,887
Distribution costs	1,172	-	1,172	1,278	15	1,293
Administrative expenses	1,172	-	1,172	1,470	-	1,470
	<u>17,058</u>	<u>-</u>	<u>17,058</u>	<u>19,073</u>	<u>2,577</u>	<u>21,650</u>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

4 Operating profit	2009	2008
	£000	£000
Operating profit is stated after charging		
Depreciation of tangible assets	918	910
Loss on disposal of tangible assets	2	31
Loss on foreign exchange transactions	102	-
Operating lease rentals		
- Plant and machinery	44	42
- Other assets	56	63
Fees payable to the company's auditor for the audit of the company's annual accounts	17	20
Fees payable to the company's auditors for non audit work	4	4
and after crediting		
Government grants	(4)	(11)
Profit on foreign exchange transactions	-	(231)

The prior year exceptional items were in respect of costs incurred relating to the directors' decision to close the automotive division

5 Investment income	2009	2008
	£000	£000
Income from shares in group undertakings	-	199
Bank interest	2	107
Interest received from loans made to group undertakings	65	47
	<u>67</u>	<u>353</u>

6 Interest payable	2009	2008
	£000	£000
Hire purchase interest	1	-
Finance charges in respect of defined benefit scheme	188	6
	<u>189</u>	<u>6</u>

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009

7	Taxation	2009	2008
		£000	£000
	Domestic current year tax		
	U K corporation tax	459	1,048
	Adjustment for prior years	(127)	(3)
		<u>332</u>	<u>1,045</u>
	Current tax charge		
	Deferred tax		
	Deferred tax credit current year	(42)	(43)
	Deferred tax adjustment for prior years	124	-
		<u>82</u>	<u>(43)</u>
		<u>414</u>	<u>1,002</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,405</u>	<u>3,768</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 28.50%)	<u>393</u>	<u>1,074</u>
	Effects of:		
	Non deductible expenses	8	21
	Non taxable income	-	(38)
	Depreciation in excess of capital allowances	56	24
	FRS17 adjustments	16	(38)
	Adjustments in respect of prior years	(127)	-
	Other tax adjustments	(14)	2
		<u>(61)</u>	<u>(29)</u>
	Current tax charge	<u>332</u>	<u>1,045</u>
8	Dividends	2009	2008
		£000	£000
	Ordinary interim paid	<u>1,485</u>	<u>1,500</u>

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009

9 Tangible fixed assets

	Land and buildings Freehold £000	Plant and machinery £000	Fixtures, fittings & equipment £000	Motor vehicles £000	Total £000
Cost					
At 1 January 2009	2,014	12,886	3,048	18	17,966
Additions	15	319	732	-	1,066
Disposals	-	(131)	(3)	-	(134)
At 31 December 2009	2,029	13,074	3,777	18	18,898
Depreciation					
At 1 January 2009	670	8,705	2,153	18	11,546
On disposals	-	(124)	(3)	-	(127)
Charge for the year	62	622	234	-	918
At 31 December 2009	732	9,203	2,384	18	12,337
Net book value					
At 31 December 2009	1,297	3,871	1,393	-	6,561
At 31 December 2008	1,344	4,181	895	-	6,420

Comparable historical cost for the land and buildings included at valuation:

	£000
Cost	
At 1 January 2009 & at 31 December 2009	3,698
Depreciation based on cost	
At 1 January 2009	2,820
Charge for the year	25
At 31 December 2009	2,845
Net book value	
At 31 December 2009	853
At 31 December 2008	878

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

9 Tangible fixed assets (continued)

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £000
Net book values	
At 31 December 2009	<u>18</u>
At 31 December 2008	<u>15</u>
Depreciation charge for the year	
At 31 December 2009	<u>3</u>
At 31 December 2008	<u>3</u>

Freehold land amounting to £400,000 (2008 - £400,000) has not been depreciated

10 Stocks	2009 £000	2008 £000
Raw materials and consumables	652	693
Finished goods and goods for resale	742	1,192
	<u>1,394</u>	<u>1,885</u>

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009

11 Debtors	2009	2008
	£000	£000
Trade debtors	1,685	1,361
Amounts owed by parent and fellow subsidiary undertakings	1,704	2,509
Other debtors	216	218
Prepayments and accrued income	132	282
	<u>3,737</u>	<u>4,370</u>

Amounts falling due after more than one year and included in the debtors above are

	2009	2008
	£000	£000
Amounts owed by group undertakings	<u>1,250</u>	<u>-</u>

12 Creditors: amounts falling due within one year	2009	2008
	£000	£000
Net obligations under hire purchase contracts	6	5
Trade creditors	444	542
Amounts owed to parent and fellow subsidiary undertakings	1	2
Corporation tax	92	643
Other taxes and social security costs	131	138
Accruals and deferred income	972	1,414
	<u>1,646</u>	<u>2,744</u>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

13 Creditors: amounts falling due after more than one year	2009 £000	2008 £000
Net obligations under hire purchase contracts	<u>16</u>	<u>13</u>
Net obligations under hire purchase contracts		
Repayable within one year	6	5
Repayable between one and five years	<u>16</u>	<u>13</u>
	22	18
Included in liabilities falling due within one year	<u>(6)</u>	<u>(5)</u>
	<u>16</u>	<u>13</u>

14 Provisions for liabilities

	Deferred tax liability £000
Balance at 1 January 2009	756
Profit and loss account	<u>82</u>
Balance at 31 December 2009	<u>838</u>

The deferred tax liability is made up as follows:

	2009 £000	2008 £000
Accelerated capital allowances	850	781
Other timing differences	<u>(12)</u>	<u>(25)</u>
	<u>838</u>	<u>756</u>

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009

15 Accruals and deferred income

	Government grants £000
Balance at 1 January 2009	16
Released to profit in the year	(4)
	<hr/>
Balance at 31 December 2009	12
	<hr/>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

16 Pension and other post-retirement benefit commitments

	2009	2008
	£000	£000
Contributions payable by the company for the year in respect of the defined benefit and defined contribution schemes	343	576

Defined benefit

The company operates a funded defined benefit scheme arrangement. The assets are held independently of the company in trustee administered funds. The defined benefit section was frozen on 1 October 2001 and subsequent contributions were made to a defined contribution scheme, the assets of which are held independently of the company in trustee administered funds.

A full actuarial valuation was last undertaken by qualified independent actuaries on 6 April 2008, using a market based approach. That valuation has been updated to 31 December 2009 by the independent actuaries.

The value of the assets of the scheme was £12,366,000 (2008 - £10,570,000) and this was sufficient to cover 76% (2008 - 83%) of the benefits which had accrued to members.

	2009	2008
	%	%
The major assumptions used by the actuary were.		
Revaluation rate for deferred pensioners of RPI subject to a maximum of 5% p a	3.80	2.90
Pension in payment increases of RPI subject to a maximum of 5% p a	5.80	2.85
Discount rate	6.70	6.70
Inflation assumption	3.30	2.90
The long term expected rates of return are as follows:		
Equities	8.00	7.75
Bonds	4.58	4.90
Cash	2.00	5.50
Other assets	7.25	7.75

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

16 Pension and other post-retirement benefit commitments

(continued)

	2009	2008
	£000	£000
The assets in the scheme are as follows.		
Equities	6,136	4,457
Bonds	3,824	3,576
Cash	190	1,752
Other assets	2,216	785
Total fair value of assets	12,366	10,570
Present value of scheme liabilities	(16,331)	(12,767)
Deficit in scheme	(3,965)	(2,197)
Related deferred tax asset	1,110	659
Net pension liability	(2,855)	(1,538)
	2009	2008
	£000	£000
Analysis of the amount charged to operating profit		
Current service cost	(78)	(70)
Total operating charge	(78)	(70)
Analysis of the amount credited to other finance income		
Expected return on pension scheme assets	652	838
Interest on pension scheme liabilities	(840)	(843)
Net return	(188)	(5)
Analysis of amount recognised in the statement of total recognised gains and losses		
Actual return less expected return on pension scheme assets	1,474	(2,510)
Experience gains and losses arising on scheme liabilities	(43)	(74)
Changes in assumptions underlying the present value of the scheme liabilities	(3,141)	2,118
Actual loss recognised in the statement of total recognised gains and losses	(1,710)	(466)

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

16 Pension and other post-retirement benefit commitments

(continued)

	2009	2008
	£000	£000
Movement in deficit during the year		
Deficit in scheme at 1 January 2009	(2,197)	(1,864)
Operating charge	(78)	(70)
Other finance income	(188)	(5)
Contributions made	208	208
Actuarial losses	(1,710)	(466)
Deficit in scheme at 31 December 2009	<u>(3,965)</u>	<u>(2,197)</u>

The contributions made by the employer over the financial year have been £208,000, equivalent to £17,333 per calendar month. This level of contribution is to continue until reviewed following the triennial valuation of the scheme due as at 6 April 2011. There is no longer any accrual of benefits in the defined benefits section.

History of experience gains and losses

	2009	2008	2007	2006	2005
	£000	£000	£000	£000	£000
Difference between the expected and actual return on scheme assets					
Amount	1,474	(2,510)	(143)	536	1,219
Percentage of scheme assets	11.92%	(23.75%)	(1.12%)	4.32%	10.8%
Experience gains and losses on scheme liabilities					
Amount	(43)	(74)	(151)	(42)	21
Percentage of the present value of the scheme liabilities	(0.26%)	(0.58%)	(1.0%)	(0.3%)	0.2%
Total amount recognised in statement of recognised gains and losses					
Amount	(1,710)	(466)	(174)	190	(472)
Percentage of the present value of scheme liabilities	(10.47%)	(3.65%)	(1.2%)	1.3%	(3.5%)

17 Share capital

	2009	2008
	£000	£000
Authorised		
25,000 ordinary shares of £1 each	<u>25</u>	<u>25</u>
Allotted, called up and fully paid		
25,000 ordinary shares of £1 each	<u>25</u>	<u>25</u>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

18 Statement of movements on profit and loss account

	Profit and loss account £000
Balance at 1 January 2009	8,748
Profit for the year	991
Dividends paid	(1,485)
Actuarial losses on pension scheme assets	(1,710)
Movement on deferred tax relating to pension asset	451
	<hr/>
Balance at 31 December 2009	6,995
	<hr/>

19 Reconciliation of movements in shareholders' funds

	2009 £000	2008 £000
Profit for the financial year	991	2,766
Dividends	(1,485)	(1,500)
	<hr/>	<hr/>
	(494)	1,266
Other recognised losses	(1,710)	(466)
Movement on deferred tax relating to pension asset	451	100
	<hr/>	<hr/>
Net (depletion in)/addition to shareholders' funds	(1,753)	900
Opening shareholders' funds	8,773	7,873
	<hr/>	<hr/>
Closing shareholders' funds	7,020	8,773
	<hr/>	<hr/>

20 Financial commitments

At 31 December 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2010.

	Other assets 2009 £000	2008 £000
Operating leases which expire		
Within one year	3	2
Between two and five years	86	97
	<hr/>	<hr/>
	89	99
	<hr/>	<hr/>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

21 Capital commitments	2009	2008
	£000	£000
At 31 December 2009 the company had capital commitments as follows		
Authorised but not contracted for	<u>7</u>	<u>395</u>

22 Directors' emoluments	2009	2008
	£000	£000
Emoluments for qualifying services	618	642
Company pension contributions to money purchase schemes	<u>68</u>	<u>65</u>
	<u>686</u>	<u>707</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2008 - 5)

Emoluments disclosed above include the following amounts paid to the highest paid director.

Emoluments for qualifying services	219	233
Company pension contributions to money purchase schemes	<u>32</u>	<u>31</u>

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2009

23 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2009 Number	2008 Number
Production	114	128
Sales and distribution	10	11
Administration	12	12
	<u>136</u>	<u>151</u>

Employment costs

	2009 £000	2008 £000
Wages and salaries	3,666	5,029
Social security costs	350	421
Other pension costs	343	368
	<u>4,359</u>	<u>5,818</u>

24 Control

The ultimate parent company is Heitkamp and Thumann KG, a company based in Germany. This is also the ultimate controlling party of the company.

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2009

25 Related party transactions

The company undertakes transactions with a number of companies in the Heitkamp and Thumann Group during the normal course of business

During the year recharges of £105,317 (2008 - £149,026) were made by Heitkamp and Thuman GmbH and Co KG to Presspart Manufacturing Limited, of which £510 (2008 - £809) was outstanding at the year end

During the year recharges of £442 (2008 - £nil) were made by H&T Marsberg GmbH & Co KG to Presspart Manufacturing Limited

During the year recharges of £74,198 (2008 - £353,996) were made by H&T Tool Design GmbH & Co KG to Presspart Manufacturing Limited and Presspart Manufacturing Limited purchased £102,742 (2008 - £78,921) of capital items from the company Presspart Manufacturing Limited sold tools to H&T Tool Design GmbH & Co KG of £nil (2008 - £238) At the year end £888 (2008 - £953) was due to H&T Tool Design GmbH & Co KG

During the year Presspart Manufacturing Limited made recharges of £413,337 (2008 - £519,324) to Presspart GmbH & Co KG, and recharges of £128,178 (2008 - £137,609) were made by Presspart GmbH & Co. KG to Presspart Manufacturing Limited Presspart Manufacturing Limited purchased £236,379 (2008 - £135,378) of capital items from Presspart GmbH & Co KG during the year Included in debtors is £37,281 due from Presspart GmbH & Co KG and included in creditors is £267 due to Presspart GmbH & Co KG (2008 - debtors of £47,268)

During the year recharges of £140,549 (2008 - £217,939) were made by H&T Waterbury to Presspart Manufacturing Limited

During the year costs and recharges of £nil (2008 - £3,975) were made by H&T Produktions Technologie GmbH to Presspart Manufacturing Limited

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2009

25 Related party transactions

(continued)

During the year Presspart Manufacturing Limited made recharges of £8,913 (2008 - £34,924) to Linden GmbH & Co KG, of which £nil (2008 - £3,131) was outstanding at the year end

During the year Presspart Manufacturing Limited made recharges of £nil (2008 - £406) to Linden s r o

In the prior year Presspart Manufacturing Limited made a loan of £2,500,000 to Doby Cleats Limited, of which £1,650,000 (2008 - £2,400,000) is outstanding at the year end Interest of £64,553 was charged on this loan, of which £nil (2008 - £46,804) is outstanding at the year end and included within debtors

During the year Dongguan Heitkamp and Thumann Metal Products Limited made recharges of £67,304 to Presspart Manufacturing Limited

During the year Presspart Manufacturing Limited sold goods of £966 (2008 - £3,081) and recharges of £189,547 (2008 - £23,347) to Nemo S A Nemo S A recharged £381 (2008 - £6,452) of expenses to Presspart Manufacturing Limited during the year Included within debtors at the year end is £17,009 (2008 - £11,818) due from Nemo S A

26 Reconciliation of operating profit to net cash inflow from operating activities

2009 2008

£000 £000

Operating profit	1,527	3,736
Depreciation of tangible assets	918	910
Loss on disposal of tangible assets	2	31
Decrease in stocks	491	713
(Increase)/decrease in debtors	(115)	717
(Decrease)/increase in creditors within one year	(548)	161
Pension scheme non-cash movement	(130)	(138)

Net cash inflow from operating activities

2,145 6,130

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2009**

27 Analysis of net funds	1 January 2009	Cash flow	Other non- cash changes	31 December 2009
	£000	£000	£000	£000
Net cash				
Cash at bank and in hand	1,165	(470)	-	695
Debt				
Finance leases	(18)	6	(10)	(22)
Net funds	1,147	(464)	(10)	673

28 Reconciliation of net cash flow to movement in net funds	2009 £000	2008 £000
(Decrease)/increase in cash in the year	(470)	652
Cash inflow from increase in debt and lease financing	6	5
Change in net debt resulting from cash flows	(464)	657
New finance lease	(10)	-
Movement in net funds in the year	(474)	657
Opening net funds	1,147	490
Closing net funds	673	1,147

29 Major non-cash transactions

Other than the new finance leases noted above there were no major non-cash transactions in the year

