

Draka UK Services Limited

**Directors' report and financial
statements**

Registered in England and Wales number 1028583

31 December 2000



Financial statements

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Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2000.

Principal activities and business review

The company provides management services for the Draka UK Group of Companies.

Results and dividends

The company recorded a profit after taxation for the year ended 31 December 2000 of £1,000 (1999: £1,000) and the directors do not recommend the payment of a dividend.

Directors and their interests

The directors who held office during the year were as follows:

RP Gouldstone - appointed 3 July 2000
R Watts
I Dew

No directors were interested at any time in the year in the share capital or debentures of the company or any group company.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



I Dew
Company Secretary

29 January 2002

Statement of directors' responsibilities

UK 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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.



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Park Row
Nottingham
NG1 6FQ

Report of the auditors to the members of Draka UK Services Limited

We have audited the financial statements on pages 4 to 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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 with the company 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 as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Chartered Accountants
Registered Auditors*

29 January 2002

Profit and loss account
for the year ended 31 December 2000

	<i>Notes</i>	2000 £000	1999 £000
Management charges	<i>1</i>	64	41
Administrative expenses		(63)	(40)
		<hr/>	<hr/>
Profit on ordinary activities before and after taxation		1	1
Deficit brought forward		(43)	(44)
		<hr/>	<hr/>
Deficit carried forward		(42)	(43)
		<hr/>	<hr/>

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

In both the current and preceding years, the company made no material acquisitions and had no discontinued operations.

Balance sheet

as at 31 December 2000

	Notes	£000	2000 £000	£000	1999 £000
Current assets					
Debtors	2	1		-	
Cash at bank and in hand		4		4	
		<u>5</u>		<u>4</u>	
Creditors: amounts falling due within one year	3	(47)		(47)	
Net current liabilities			(42)		(43)
Net liabilities			<u>(42)</u>		<u>(43)</u>
Capital and reserves					
Called up share capital	4		-		-
Profit and loss account			<u>(42)</u>		<u>(43)</u>
Equity shareholders' deficit	5		<u>(42)</u>		<u>(43)</u>

These financial statements were approved by the board of directors on 29 January 2002 and were signed on its behalf by:



RP Gouldstone
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements have been prepared on a going concern basis as the ultimate parent undertaking, Draka Holding NV, has indicated that it will provide such funds as are necessary for the company to operate for the foreseeable future.

Cash flow statement

Under Financial Reporting Standard Number 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of Draka Holding NV and its cash flows are included within the consolidated cash flow statement of that company.

Management charges

Management charges represent the value of administrative expenses recharged to Draka UK Limited during the year.

2 Debtors

	2000 £000	1999 £000
Amounts owed by group undertakings	1	-
	<u> </u>	<u> </u>

3 Creditors: amounts falling due within one year

	£000	£000
Amounts owed to group undertakings	47	47
	<u> </u>	<u> </u>

4 Called up share capital

	£	£
<i>Authorised:</i>		
100 ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>
<i>Allotted, issued and fully paid:</i>		
2 ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

Notes (continued)

5 Reconciliation of movement in shareholders' funds

	2000 £000	1999 £000
Profit for the year	1	1
Net addition to shareholders' funds	1	1
Opening shareholders' deficit	(43)	(44)
Closing shareholders' deficit	(42)	(43)

6 Remuneration of directors

	£000	£000
Directors' emoluments	50	39

7 Related party transactions

As the company is a wholly owned subsidiary of Draka Holding NV the company has taken advantage of the exemption contained within Financial Reporting Standard Number 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Draka Holding NV, within which this company is included can be obtained from the address given in note 8.

8 Ultimate parent and controlling company

The company is a subsidiary undertaking of Draka Holding NV, which is incorporated in the Netherlands.

The smallest and largest group of companies which publishes consolidated financial statements and of which this company is a member is Draka Holding NV.

Copies of these consolidated financial statements can be obtained from the Company Secretary, Draka UK Limited, PO Box 6500, Alfreton Road, Derby, Derbyshire, DE21 4ZH.