Bristol Bending Sanoh Limited

Annual report and accounts

for the year ended 31 March 2006

(Registered No: 2607806)

Bristol Bending Sanoh Limited

Annual report and accounts for the year ended 31 March 2006

Contents

Bristol Bending Sanoh Limited

Directors

J J Boulter	(resigned 2 May 2006)
M Mizukami	(resigned 11 September 2005)
M Komatsu	(resigned 30 November 2006)
P Davis	
W J Burke	
K Yoshikawa	(appointed 11 September 2005, resigned 30 November 2006)
S Saltaire	(appointed 22 June 2006, resigned 20 October 2006)
Y Takeda	(appointed 30 November 2006)
R Harada	(appointed 30 November 2006)
J Hayashi	(appointed 30 November 2006)
Y Sunaga	(appointed 30 November 2006)
N Tanaka	(appointed 30 November 2006)
S Tanaka	(appointed 30 November 2006)

Secretary

W J Burke

Auditors

PricewaterhouseCoopers LLP
31 Great George Street
Bristol
BS1 5QD

Registered office

Grandeur Point
Fourth Way
Avonmouth
BRISTOL
BS11 8DL

Bankers

Lloyds Bank Plc
15 High Street
Westbury on Trym
Bristol
BS9 3DA

Bristol Bending Sanoh Limited

Directors' report for the year ended 31 March 2006

The directors present their report and the audited financial statements of the company for the year ended 31 March 2006.

Principal activities

The company manufactures steel and nylon tubular products for the automotive industry from three factories, two in Bristol and one in Gloucester, with a smaller unit in Derby also expected to start shipping goods during 2007.

Review of business and future developments

During February 2006 the ultimate parent undertaking, Cavendish Industries Limited, entered administration. As a result on 20 October 2006 its entire 60% shareholding in the company was sold to Sanoh Industrial Company Ltd of Japan.

The results for the company show a pre-tax profit of £555,000 (2005: £540,000) and turnover of £14,625,000 (2005: £12,454,000). The company has net debt of £962,000 (2005: £1,028,000). Net cash inflow from operating activities was £1,857,000 (2005: £822,000).

The directors are pleased with the current year's trade and anticipate continued future growth.

Business environment

The UK automotive component market is dominated by a few very large companies still in volume car production. The supply side of the UK market has also consolidated over time so that in tubular products we now have only one major competitor.

The nature of the product makes it expensive to ship from overseas and also effectively limits export opportunities to a few special case contracts.

Continued customer demands for quality and just-in-time supply have meant that the highest standards are now the norm and price is again becoming increasingly important.

Strategy

The company has a record of steady growth over the past 15 years and, in that time, management and technical resources have been concentrated on ensuring that growth was achieved with no adverse impact on customer service. As an established player we now not only have fewer contracts to gain but also more to lose. For both reasons it is planned that we redirect some of those resources as they become available to cost reduction projects.

We also regularly review the quality of our output in terms of both product quality and customer service to maximise our chances of retaining existing business.

Future outlook

We already have new work and an increase in existing business in the pipeline for the coming financial year. However we recognise the benefits of expanding into related products and new markets in the future. The change in ownership of the company during 2006 will remove one of the barriers to such expansion following the expiry of the previous joint venture agreement with Cavendish Industries Limited.

Principal risks and uncertainties

The key business risks affecting the company are set out below:

Competition:

Bristol Bending Sanoh Limited

The number of competitors in the UK is limited at present, reflecting the fact that there are a limited number of major contracts available. This does restrict the frequency of tenders but at the same time increases the significance of each bid. It therefore concentrates rather than reduces the competitive nature of the industry. We maintain close communication with our customers at all times, not just at contract negotiation, to ensure we are in a position to meet their needs. The satellite plant at Derby is being opened to improve links with the goegraphically most distant of our major customers.

Product Warranty:
Customers are increasingly seeking to pass on consequential losses suffered as a result of quality failures. These are very expensive to insure against in this litiginous age and look set to become another overhead cost we will have to accept and build into our quotes. Our main defence will remain a focus on providing quality products to customers thus eliminating the problem at source.

Market:
With our existing market limited to a small number of customers, a change in economic forces or customer strategy that resulted in further reductions in car production in the UK would also reduce the market for our products. These would however be major decisions by the car manufacturers who have significant investments in plant in the UK and, at present, our customers are increasing rather than reducing output.

Key performance indicators

	2006	2005	
Growth in sales	17%	14%	Year on year sales growth expressed as a percentage
Internal rejects	13,600	16,000	Internal rejects per million parts produced
Customer rejects	85	294	Average of customer rejects per million parts delivered as reported by our major customers.
On time deliveries	99.7%	99.1%	Average of on time delivery performance as reported by our major customers who demand timed delivery schedules each day

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, credit risk, liquidity risk, interest rate risk and exchange rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

In order to manage interest risk the company arranges all new long term finance for fixed asset acquisitions at fixed rates but has not gone so far as to re-negotiate a long-term loan arranged in 2001 at variable rate. Short-term borrowing to cover day-to-day cash requirements is also at variable rate. At the balance sheet date 48 per cent of debt (2005: 37 per cent) was at fixed rate. Further to this the company seeks to minimise the risk of uncertain funding in its operations by borrowing within a spread of maturity periods reflecting the use to which the funds will be applied. At the year end 43 per cent (2005: 33 per cent) of debt was repayable within one year. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Price risk

The company is exposed to commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. Where debt finance is utilised, this is subject to pre-approval by the board of directors at which point the total exposure to any individual counterparty is considered.

Liquidity risk

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Interest rate cash flow risk

The company has occasional interest bearing assets and more significant interest bearing liabilities. The interest bearing assets are short-term cash balances, which may be available from time to time and are invested at variable rate. The company has a policy of funding high value expenditure on fixed assets at fixed rates to ensure certainty of future interest cash flows. Short-term borrowings to cover day-to-day fluctuations in cash requirements are arranged on variable interest rates. In early 2001, at a time when interest rates were still falling, a long-tern loan repayable over seven years was also arranged on variable interest rates.

Exchange rate risk

The company makes significant purchases in Japanese yen but the majority of these are matched by customer sales price variation agreements linked to the sterling/yen exchange rate. The company also has income from sales in Euros that are partially offset by Euro purchases. The remaining exposures, being spread throughout the year, are subject to a degree of 'averaging' that reduces the exposure to short-term fluctuations and the cost of managing the remaining longer-term risk of more permanent exchange rate movements would exceed the potential benefits.

Results and dividends

The profit for the year, after taxation, amounted to £286,000 (2005: £384,000). The directors have not proposed the payment of a final dividend (2005: a dividend of £780,000 representing £2.00 on each ordinary share was proposed). The aggregate dividend on the ordinary shares recognised as an expense during the year amounts to £780,000 (restated 2005: £179,000).

Directors and their interests

The directors are listed on page 1.

None of the directors had an interest in the share capital of the company at the year end or at any time during the year.

Details of the directors' interests in the share capital and share options of the ultimate parent undertaking, Cavendish Industries Limited, at 31 March 2006 are as follows:

	Ordinary shares of 10p each							
	Shares at 1 April 2005	**Shares at 31 March 2006**	**Options at 1 April 2005**	**Granted in year**	**Exercised during year**	**Lapsed during Year**	**Options at 31 March 2006**	**Exercise price (£)**
J Boulter	149,710	149,710	-	-	-	-	-	-
P Davis	-	-	453	-	-	-	453	10.69
P Davis	-	-	455	-	-	-	455	10.33

Since the year end all share options have lapsed.

Statement of directors' responsibilities

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 of the company for that period. The directors are required to prepare the 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 with the exception of the changes arising on the adoption of new accounting standards in the year as explained on page 11. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 March 2006 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.

Disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and the directors have taken all steps that they ought to have taken in order to make themselves aware of any relevant information and to establish that the company's auditors are aware of that information.

Auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

By Order of the Board

Director
26 January 2007

Bristol Bending Sanoh Limited

Independent auditors' report
to the members of Bristol Bending Sanoh Limited

We have audited the financial statements of Bristol Bending Sanoh Limited for the year ended 31 March 2006 which comprise the profit and loss account, the balance sheet, the cash flow statement, the accounting policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors
The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland). 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its profit and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Bristol
26 January 2007

Bristol Bending Sanoh Limited

Profit and loss account for the year ended 31 March 2006

	Note	2006	2005 Restated
		£'000	£'000
Turnover	1	**14,625**	12,454
Operating costs	2	**(13,997)**	(11,888)
Operating profit	3	**628**	566
Net interest payable and similar charges	6	**(73)**	(26)
Profit on ordinary activities before taxation		**555**	540
Tax on profit on ordinary activities	7	**(269)**	(156)
Profit on ordinary activities after taxation		**286**	384
Dividends – equity	8	**(780)**	(179)
Retained (loss)/profit for the year	17	**(494)**	205

All activities are continuing.

The company has no recognised gains or losses other than those included in the profit above, and therefore no separate statement of total recognised gains and losses has been presented.

Bristol Bending Sanoh Limited

Balance sheet as at 31 March 2006

	Note	2006	2005
			Restated
		£'000	£'000
Fixed assets			
Tangible assets	9	**3,561**	3,155
Current assets			
Stocks	11	**1,717**	1,424
Debtors	12	**2,226**	2,215
Cash at bank and in hand		**110**	326
		4,053	3,965
Creditors: amounts falling due within one year	13	**(4,458)**	(3,456)
Net current (liabilities)/assets		**(405)**	509
Total assets less current liabilities		**3,156**	3,664
Creditors: amounts falling due after more than one year	14	**(617)**	(721)
Provisions for liabilities and charges	19	**(288)**	(198)
Net assets		**2,251**	2,745
Capital and reserves			
Called up share capital	16	**390**	390
Capital redemption reserve	17	**1,170**	1,170
Revaluation reserve	17	**12**	25
Profit and loss account	17	**679**	1,160
Equity shareholders' funds	22	**2,251**	2,745

The financial statements on pages 7 to 25 were approved by the board of directors on 26 January 2007 and were signed on its behalf by:

P Davis
Director

Bristol Bending Sanoh Limited

Note of historical cost profits and losses

	2006	2005
	£'000	£'000
Profit on ordinary activities before taxation	**555**	540
Difference between historical cost depreciation and the actual depreciation charge	**13**	12
Historical cost profit on ordinary activities before taxation	**568**	552
Historical cost profit for the year retained after taxation	**299**	396

Bristol Bending Sanoh Limited

Cash flow statement for the year ended 31 March 2006

	Note	2006	2006	2005	2005
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities	24		1,724		822
Returns on investment and servicing of finance					
Interest received		36		37	
Interest paid		(73)		(48)	
Interest element of finance lease payments		(36)		(15)	
Net cash outflow from returns on investment and servicing of finance			(73)		(26)
Tax paid			(25)		(134)
Capital expenditure					
Purchase of tangible fixed assets		(425)		(195)	
Receipts from sale of tangible fixed assets		-		-	
Net cash outflow from capital expenditure			(425)		(195)
Equity dividends paid			(780)		(179)
Cash inflow before financing			421		288
Financing					
Capital element of finance lease payments		(191)		(108)	
Repayment of loans		(211)		(198)	
Net cash (outflow) from financing			(402)		(306)
Increase/(decrease) in cash in the year	26		19		(18)

Bristol Bending Sanoh Limited

Accounting policies

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, the accounting policies set out below and in accordance with applicable accounting standards.

The company has taken advantage of the exemption available to medium sized groups and has not prepared consolidated group accounts.

Changes in accounting policies

The company adopted FRS 21, 'Events after the balance sheet date', and FRS 25, 'Financial instruments: disclosure and presentation', in these financial statements. The adoption of these standards represents a change in accounting policies and the comparatives figures have been restated accordingly.

The effect of the change in accounting policies to adopt FRS 21 was to recognise the final proposed dividend for the year ended 31 March 2005 of £780,000 in the current year and recognise the final proposed dividend for the year ended 31 March 2004 of £179,000 in the comparatives.

The change in accounting policy to adopt the presentational requirements of FRS 25 resulted in the disclosure of the authorised but unissued 1,500,000 redeemable preference shares of £1 within the 'Bank and other borrowings' note, rather than in the share capital note in accordance with FRS 25.

Turnover

Turnover is stated net of value added tax. It represents the invoiced value of goods and services supplied and is recognised on delivery.

Fixed assets

Following the introduction of Financial Reporting Standard 15, 'Tangible fixed assets' in previous years, the company decided to adopt a policy of freezing revalued assets at their current valuation balance, as permitted under the transitional arrangements, and no further revaluation of assets is planned.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Long leasehold land and buildings:	Over the lease term
Plant, machinery and office equipment:	10% - 33 1/3 %
Motor vehicles:	35% (reducing balance)

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value, as follows:

Raw materials:	Purchase cost on a first in, first out basis
Work in progress:	Cost of direct materials and labour, plus an appropriate proportion of attributable overheads based on the normal level of activity
Tooling:	Cost less amortisation related to age.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion or disposal.

Recognition of profit on tooling projects
As tooling projects progress attributable profit is recognised on a percentage complete basis.

Deferred taxation
Deferred tax is provided on all material timing differences, whether or not they are expected to reverse in the future. Deferred tax assets and liabilities have not been discounted.

Tooling amortisation
Tooling, which is to be amortised through the piece part price, is stated at cost less accumulated amortisation to date. The charge per unit is agreed with the customer at the start of a contract, and based on the estimated total parts to be supplied.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments
Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the length of the lease if shorter. The interest element of rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

Pensions
The company operates a defined contribution group personal pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Bristol Bending Sanoh Limited

Notes to the financial statements for the year ended 31 March 2006

1 Turnover

Turnover, which is stated net of value added tax, represents the invoiced value of goods and services supplied.

Turnover is attributable to one activity, the manufacture of components for the car industry.

Analysis of turnover by geographical area is given below.

	2006	2005
	£'000	£'000
United Kingdom	14,290	12,307
Europe	335	147
	14,625	12,454

2 Operating costs

	2006	2005
	£'000	£'000
Decrease/(increase) in stocks of finished goods and work in progress	92	(281)
Raw materials and consumables	8,293	7,711
Staff costs (Note 4)	4,180	3,269
Depreciation of owned tangible fixed assets	296	303
Depreciation of assets held under finance leases and hire purchase contracts	77	41
Other operating charges	1,059	845
	13,997	11,888

3 Operating profit

		2006	2005
		£'000	£'000
Operating profit is stated after charging:			
Auditors' remuneration:	audit fees	16	7
	non-audit fees - taxation	2	2
Operating lease rentals:	land and buildings	114	85
	plant and equipment	35	30
	other	9	8
Gain on foreign exchange		(102)	(53)

4 Staff costs

	2006 £'000	2005 £'000
Wages and salaries	**3,814**	2,963
Social security costs	**342**	282
Other pension costs	**24**	24
	4,180	3,269

The total amount includes £ 9,417 (2005: £20,442) of capitalised labour costs. The average number of persons (including directors) employed during the year was as follows:

	2006 Number	2005 Number
Hourly paid	**185**	148
Staff	**34**	30
	219	178

5 Directors' emoluments

	2006 £'000	2005 £'000
Aggregate emoluments	**128**	60
Company contributions paid to money purchase schemes	**2**	2

During the year the company paid contributions to the money purchase pension schemes of one (2005: one) director and retirement benefits are accruing to one director (2005: one) under these schemes at 31 March 2006.
Under a cost sharing agreement £20,000 (2005: £Nil) of the above costs are funded by Sanoh Industrial Company Ltd.

6 Net interest payable and similar charges

	2006 £'000	2005 £'000
Bank overdraft interest	**4**	1
Other interest receivable	**-**	-
Interest receivable from group undertakings	**(36)**	(37)
Invoice discounting	**34**	2
Interest on loans wholly repayable within five years	**35**	45
Finance charges payable under finance leases and hire purchase contracts	**36**	15
	73	26

7 Tax charge on profit on ordinary activities

(a) Analysis of charge in the year

	2006	2005
	£'000	£'000
Current tax:		
UK corporation tax on profits of the year	**201**	204
Prior year adjustment for over provision	**(22)**	(13)
Total current tax	**179**	191
Deferred tax:		
Origination and reversal of timing differences (ACA and other)	**90**	(42)
Prior year adjustment for under provision	**-**	7
Total deferred tax	**90**	(35)
	269	156

(b) Factors affecting current tax charge for the year

	2006	2005
	£'000	£'000
Profit on ordinary activities before taxation	**555**	540
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2005: 30%)	**167**	162
Non deductible expenses	**69**	-
Depreciation charge in excess of capital allowances and other timing differences	**(35)**	42
Adjustments to tax in respect of previous periods	**(22)**	(13)
Current tax charge for the year	**179**	191

8 Dividends

Ordinary shares of £1 each (equity)

	2006	2005
		Restated
	£'000	£'000
Final paid £2.00 (2005: £0.46) per £1 share	**780**	179

The directors have not proposed a dividend for the year ended 31 March 2006.

Bristol Bending Sanoh Limited

9 Tangible fixed assets

	Long leasehold land and buildings £'000	Plant, machinery and office equipment £'000	Motor vehicles £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation					
At 1 April 2005	2,248	3,934	13	37	6,232
Additions	28	730	-	22	780
Transfer	-	37	-	(37)	-
Disposals	-	(4)	-	-	(4)
At 31 March 2006	**2,276**	**4,697**	**13**	**22**	**7,008**
Depreciation					
At 1 April 2005	329	2,740	8	-	3,077
Charge for the year	52	319	2	-	373
Disposals	-	(3)	-	-	(3)
At 31 March 2006	**381**	**3,056**	**10**	-	**3,447**
Net book amount					
At 31 March 2006	**1,895**	**1,641**	**3**	**22**	**3,561**
At 31 March 2005	1,919	1,194	5	37	3,155

Assets held under finance leases and hire purchase contracts, capitalised and included in plant and machinery and motor vehicles:

	2006 £'000	2005 £'000
Cost	**816**	536
Aggregate depreciation	**(131)**	(63)
Net book amount	**685**	473

Included within plant and machinery are assets which were purchased for a cost of £5,000 and revalued to £134,250. The valuation was performed in 1997, on the basis of open market value, by independent qualified valuers. The historical cost and historical net book value of these assets at 31 March 2006 is £5,000 and £458 respectively.

Bristol Bending Sanoh Limited

10 Investments

The company has two wholly owned subsidiaries that were formed during the previous year, both incorporated in England.

The company's investments in subsidiaries comprise:

	Shares	Loans	Provisions	Total
	£'000	£'000	£'000	£'000
At 1 April 2005 and 31 March 2006		-	-	-

Details of subsidiary undertakings:

Subsidiary undertakings	Description of shares held	Group share of equity	Nature of business	Retained profit £'000	Net assets £'000
Bristol Bending Sanoh Automotive Components Limited	Ordinary	100%	Tubular Products	1	1
Bristol Bending Sanoh Fluid Handling Components Limited	Ordinary	100%	Dormant	-	-

11 Stocks

	2006	2005
	£'000	£'000
Raw materials and consumables	1,324	939
Work in progress	319	416
Finished goods and goods for resale	74	69
	1,717	1,424

12 Debtors

	2006	2005
	£'000	£'000
Trade debtors	1,980	1,455
Amounts owed by group undertakings	41	602
Amounts due from debt factor	15	-
Other debtors and prepayments	190	158
	2,226	2,215

13 Creditors: amounts falling due within one year

	2006	2005
		Restated
	£'000	£'000
Amounts forwarded by debt factor	-	276
Bank Overdraft (note 15)	56	-
Loans (note 15)	224	210
Trade creditors	1,558	1,783
Amounts owed to group undertakings	15	233
Corporation tax	231	77
Other taxation and social security	405	368
Obligations under finance leases and hire purchase contracts (note 18)	190	147
Other creditors and accruals	1,779	362
	4,458	3,456

The bank overdraft and loans and amounts forwarded by debt factor are secured by way of fixed and floating charges on the assets of the company.

14 Creditors amounts falling due after more than one year

	2006 £'000	2005 £'000
Loans (Note 15)	**239**	464
Obligations under finance leases and hire purchase contracts (Note 18)	**378**	257
	617	721

15 Bank and other borrowings

	2006 £'000	2005 £'000
Bank loans and overdrafts are repayable:		
Within one year	**280**	210
Between one and two years	**239**	224
Between two and five years	**-**	240
After five years	**-**	-
	519	674

Preference share capital
At 31 March 2006 the company had 1,500,000 (2005: 1,500,000) redeemable preference shares of £1 each which were authorised but not allotted or called up.

16 Called up share capital

	Authorised		Allotted, called up and fully paid	
	2006	2005 Restated	**2006**	2005
	£'000	£'000	**£'000**	£'000
500,000 Ordinary shares of £1 each	**500**	500	**390**	390

17 Reserves

	Capital redemption reserve	Revaluation reserve	Profit and loss reserve
	£'000	£'000	£'000
At 1 April 2005 as previously reported	1,170	25	380
Prior year adjustment – FRS 21	-	-	780
At 1 April 2005 as restated	1,170	25	1,160
Transfer	-	(13)	13
Retained loss for the year	-	-	(494)
At 31 March 2006	**1,170**	**12**	**679**

18 Obligations under finance leases and hire purchase contracts

Amounts due under finance leases and hire purchase contracts are analysed as follows:

	2006	2005
	£'000	£'000
Within one year	**190**	147
Between one and two years	**173**	107
Between two and five years	**205**	150
	568	404

Bristol Bending Sanoh Limited

19 Provisions for liabilities and charges

Deferred taxation

	2006	2005
	£'000	£'000
At 1 April 2005	**198**	232
Charged/(credited) to profit and loss account	**90**	(34)
At 31 March 2006	**288**	198

	2006	*2005*
	£'000	£'000
Short term timing differences	**(19)**	(13)
Accelerated capital allowances	**307**	211
Total	**288**	198

20 Capital commitments

	2006	2005
	£'000	£'000
Authorised and contracted for	**182**	221

21 Other financial commitments

	Land and buildings			**Other**
	2006	2005	**2006**	2005
	£'000	£'000	**£'000**	£'000
Operating leases which expire:				
within one year	**-**	-	**3**	3
within one to two years	**-**	-	**6**	-
within two to five years	**144**	-	**31**	32
after five years	**17**	104	**-**	-
	161	104	**40**	35

22 Reconciliation of movement in shareholders' funds

	2006	2005
		Restated
	£'000	£'000
Profit for the financial year	**286**	384
Dividends	**(780)**	(179)
Net (decrease)/increase to shareholders' funds	**(494)**	205
Opening shareholders' funds as previously reported	**1,965**	2,361
Prior year adjustment – FRS 21	**780**	179
Opening shareholders' funds as restated	**2,745**	2,540
Closing shareholders' funds	**2,251**	2,745

23 Pension commitments

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

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

	2006	2005
	£'000	£'000
Operating profit	**628**	566
Depreciation	**373**	344
(Increase) in stocks	**(293)**	(455)
Decrease in debtors	**4**	632
Increase/(decrease) in creditors	**1,012**	(265)
Net cash inflow from operating activities	**1,724**	822

25 Reconciliation of net cash flow to movement in net debt

	2006 £'000	2005 £'000
Increase/(decrease) in cash in the year	**19**	(18)
Decrease in debt and lease financing	**402**	306
Change in net debt resulting from cash flows	**421**	288
New finance lease/HP contracts	**(355)**	(319)
Movements in net debt in year	**66**	(31)
Net debt at 1 April	**(1,028)**	(997)
Net debt at 31 March	**(962)**	(1,028)

26 Analysis of net debt

	At 1 April 2005 £'000	Cash flow £'000	Other non cash Movements £'000	At 31 March 2006 £'000
Cash in hand and at bank	326	(216)	-	**110**
Overdraft	-	(56)	-	**(56)**
Amounts forwarded by debt factor	(276)	291	-	**15**
	50	19	-	**69**
Debt due within 1 year	(210)	211	(225)	**(224)**
Debt due after 1 year	(464)	-	225	**(239)**
Finance leases/HP contracts	(404)	191	(355)	**(568)**
	(1,078)	402	(355)	**(1,031)**
Total	(1,028)	421	(355)	**(962)**

27 Related party disclosures

During the year to 31 March 2006 the ultimate parent company and controlling party of the company was Cavendish Industries Limited, a company registered in England. The immediate parent company was Bristol Bending Services Limited, a company registered in England, who were the major shareholders of the company. Both these companies entered administration in February 2006 and transactions and balances are stated separately for the periods before and after the administrators' appointment. Sanoh Industrial Company Ltd and the Sojitz Corporation, both of Japan, held the balance of the company's shares.

Since the year end the shares previously held by Bristol Bending Services Ltd have been acquired by Sanoh Industrial Company Ltd , making them the immediate and ultimate parent company from 20 October 2006.

	2006	2005
	£'000	£'000
Transactions with Cavendish Industries Limited - pre administration		
Supply of goods and services by Cavendish Industries Limited	**533**	1,338
Supply of goods and services by Bristol Bending Sanoh Limited	**47**	96
Interest receivable from Cavendish Industries Limited	**36**	37
Fees for management services provided by Cavendish Industries Limited	**63**	60
Repayment of loan by Cavendish Industries Limited	**368**	(475)
Consortium tax relief (receivable)/purchased from Cavendish Industries Limited	**(44)**	133
Transactions with Cavendish Industries Limited - post administration		
Supply of goods and services by Cavendish Industries Limited	**63**	-
Supply of goods and services by Bristol Bending Sanoh Limited	**4**	-
Transactions with Sanoh Industrial Company Ltd and associated companies		
Supply of goods and services by Sanoh Industrial Company Ltd	**4**	-
Supply of goods and services by Sanoh Europe (France) EURL	**19**	2
Supply of goods and services to Sanoh Europe (France) EURL	**291**	127
Transactions with the Sojitz Corporation and associated companies		
Supply of goods and services by Sojitz UK Plc	**3,801**	4,053
Transactions with Bristol Bending Sanoh Automotive Components Ltd		
Supply of goods and services by Bristol Bending Sanoh Limited	**53**	-

Transactions with Industrial and Commercial Property Maintenance Ltd (J J Boulter was a common director)

Supply of goods and services by Industrial and Commercial Property Maintenance Ltd	**14**	14
Supply of goods and services by Bristol Bending Sanoh Limited	**4**	7

Those transactions were undertaken on normal commercial terms and conditions.

Balances due from/(to) related parties at the year end are:

	2006	2005
	£'000	£'000
Cavendish Industries Limited - pre administration on current account	**(55)**	(106)
Cavendish Industries Limited - pre administration on loan account	**238**	475
Cavendish Industries Limited - post administration	**(15)**	-
Sanoh Industrial Company Limited	**15**	-
Sanoh Europe (France) EURL	**53**	7
Sojitz UK Plc	**(1,603)**	(910)
Bristol Bending Sanoh Automotive Components Ltd	**16**	-
Industrial and Commercial Property Maintenance Ltd	**-**	2

In the event that the company had surplus cash funds and prior to the appointment of administrators at Cavendish Industries Ltd an element of these funds were lent to the parent company and interest was paid by the parent company at a premium of at least 1.5% p.a. over the deposit rate of interest achievable by the company. The loan was unsecured and repayable on demand.

As stated in note 5 above, under a cost sharing agreement £20,000 (2005: £Nil) of the directors' emoluments are funded by Sanoh Industrial Company Ltd.

The pre administration balances with Cavendish Industries Ltd are stated gross with no offset of the provision made against them which reduces the amounts owed by Group undertakings in creditors.

28 Post balance sheet event

On 20 October 2006, Sanoh Industrial Company Ltd acquired all the shares in the company previously owned by Bristol Bending Services Ltd and became both the immediate and ultimate parent company. S Saltaire resigned as a director that same day. On 30 November 2006, Y Takeda, R Harada, J Hayashi, Y Sunaga, N Tanaka and S Tanaka, all of Sanoh Industrial Company Ltd, were appointed directors of the company.