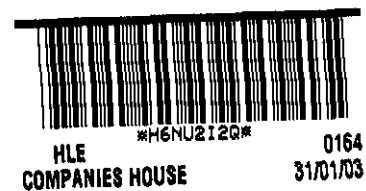


3088344

**CARCLO TECHNICAL PLASTICS LIMITED**  
**(formerly CTP Silleck Davall Limited)**

**DIRECTORS' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2002**



# **CARCLO TECHNICAL PLASTICS LIMITED**

## **COMPANY INFORMATION**

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**Directors**

Mr C Mawe  
Mr R Salt  
Mr I Williamson

**Secretary**

Mr R Salt

**Company number**

3088344

**Registered office**

PO Box 14  
62 George Street  
Wakefield  
WF1 1ZF

**Auditors**

Ernst & Young LLP  
Leeds

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# **CARCLO TECHNICAL PLASTICS LIMITED**

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# CARCLO TECHNICAL PLASTICS LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2002

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The directors present their report and the audited accounts for the company for the year ended 31 March 2002.

### Principal activities and review of business

The company's principal activity during the year was the manufacture and sale of injection moulded plastic components for the automotive and teletronics industries.

On 28 March 2002 the company acquired the trade, assets and liabilities of CTP Alan Limited, CTP Davall Limited, CTP Precision Tooling Limited and CTP Silleck Limited together with certain residual assets of CTP Silleck Scotland Limited, following the previous cessation of trade in that company, for a consideration of £32,000,000 paid in cash.

### Results and dividends

The loss for the year amounts to £7,709,660 (2001 : £237,744) and is dealt with as shown in the profit and loss account on page 5.

The directors do not propose to pay a dividend (2001: £ Nil) .

### Directors and their interests

The directors who held office during the year are listed below:

#### Name of director

Mr C Mawe

Mr R Salt

Mr I Williamson

Also directors of the company were Mr P L Jones who resigned on 1 May 2002 and Mr T S Kurwie who resigned on 17 June 2002.

Directors' interests notifiable under the terms of the Companies Act 1985 were those listed below:

Carclo plc	Options held	Granted during	Lapsed during	Options held
	1 April 2001	period	period	31 March 2002
	No.	No.	No.	No.
Mr R Salt	10,000	14,000	-	24,000
	864+	-	-	864+

+ options granted under the Carclo Sharesave Option Scheme 2000.

Mr I Williamson, Mr T S Kurwie and Mr C Mawe were also directors of the ultimate parent company, Carclo plc, in whose accounts their interests in the share capital of that company are shown.

### Change of name

On 31 May 2002 the company changed its name from CTP Silleck Davall Limited to Carclo Technical Plastics Limited.

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# **CARCLO TECHNICAL PLASTICS LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2002**

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### **Statement of directors' responsibilities**

Company law requires the directors to prepare accounts 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 year. In preparing those accounts the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent and

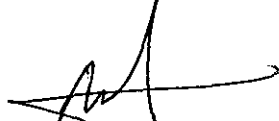
Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts 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.

### **Auditors**

A resolution to re-appoint Ernst & Young LLP as the company's auditors will be put forward to the members at the forthcoming annual general meeting.

By order of the Board



**Mr R Salt, Secretary**  
**24 January 2003**

PO Box 14  
62 George Street  
Wakefield  
WF1 1ZF

# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARCLO TECHNICAL PLASTICS LIMITED**

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We have audited the company's accounts for the year ended 31 March 2002 which comprise the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses, Historical Cost Profits and Losses and the related notes 1 to 23. These accounts have been prepared on the basis of the accounting policies set out therein.

## **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards.

This report has been prepared for the members of the company pursuant to Section 235 of the Companies Act 1985 (the 'Act') and for no other purpose.

No person is entitled to rely on this report unless such person:

- i) is a person who is entitled to rely on this report by virtue of and for the purposes of the Act; or
- ii) has been expressly authorised to do so by our prior written consent

Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, 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.

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 United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 the information in the accounts.

**INDEPENDENT AUDITORS' REPORT TO THE  
MEMBERS OF CARCLO TECHNICAL PLASTICS LIMITED**

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**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 March 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
Leeds

*24 January 2003.*

# CARCLO TECHNICAL PLASTICS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2002

	<i>Notes</i>	<b>2002</b> £	<b>2001</b> £
<b>Turnover</b>	2	<b>2,425,323</b>	2,576,462
Operating loss before exceptional item	3	<b>(362,864)</b>	(320,436)
Exceptional item	4	<b>(7,436,455)</b>	-
<b>Operating loss</b>		<b>(7,799,319)</b>	(320,436)
Interest payable and similar charges	5	<b>(17,903)</b>	(23,290)
<b>Loss on ordinary activities before taxation</b>		<b>(7,817,222)</b>	(343,726)
Taxation	8	<b>(107,562)</b>	(105,982)
<b>Deficit for the financial year</b>	18	<b>(7,709,660)</b>	(237,744)

All amounts relate to continuing activities.



# CARCLO TECHNICAL PLASTICS LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES AND HISTORICAL COST PROFITS AND LOSSES

FOR THE YEAR ENDED 31 MARCH 2002

	2002 £	2001 £
<b>Statement of total recognised gains and losses</b>		
Loss for the financial year as previously stated	(7,709,660)	(237,744)
Prior year adjustment (note 16)	(57,784)	-
Total recognised gains and losses since last annual report	<u>(7,767,444)</u>	<u>(237,744)</u>
<b>Historical cost profits and losses</b>		
Loss on ordinary activities before taxation	(7,817,222)	(343,726)
Difference between historical cost depreciation charge and depreciation charge based on the revalued amounts	859	859
Historical cost losses on ordinary activities before taxation	<u>(7,816,363)</u>	<u>(342,867)</u>
Historical cost losses for the year after taxation	<u>(7,708,801)</u>	<u>(236,885)</u>

# CARCLO TECHNICAL PLASTICS LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2002

	Notes	2002	2001
		£	as restated £
<b>Fixed assets</b>			
Intangible assets	9	29,259,263	-
Tangible assets	10	12,789,794	1,608,477
<b>Current assets</b>			
Stocks	11	3,882,463	201,379
Debtors	12	12,262,372	686,043
Cash at bank and in hand		219,552	474
		<u>16,364,387</u>	<u>887,896</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(14,859,498)</u>	<u>(849,904)</u>
<b>Net current assets</b>		<u>1,504,889</u>	<u>37,992</u>
<b>Total assets less current liabilities</b>		<u>43,553,946</u>	<u>1,646,469</u>
<b>Creditors: amounts falling due after more than one year</b>	14	(49,980,977)	(986,938)
<b>Provisions for liabilities and charges</b>			
Deferred taxation	16	(827,351)	(204,253)
		<u>(7,254,382)</u>	<u>455,278</u>
<b>Capital and reserves</b>			
Share capital	17	1,000,000	1,000,000
Revaluation reserve	18	77,683	78,542
Profit and loss account	18	(8,332,065)	(623,264)
<b>Equity shareholders' funds</b>	19	<u>(7,254,382)</u>	<u>455,278</u>

Mr C Mawe  
Director

Mr R Salt  
Director

24 January 2003

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

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### 1 Accounting policies

#### Basis of accounting

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

The transitional provisions of FRS15 have been followed and accordingly, prior year valuations of land and buildings have not been updated.

As permitted by Financial Reporting Standard 1 (revised 1996) - "Cash Flow Statements", the accounts do not include a cash flow statement on the grounds that the company is a wholly owned subsidiary undertaking and the ultimate holding company includes the company in its own published consolidated accounts.

#### Related party transactions

The company has taken advantage of the exemption to Financial Reporting Standard 8 from disclosing transactions with related parties that are part of Carclo plc.

#### Tangible assets and depreciation

Land and buildings are shown at cost or valuation. Other fixed assets are shown at cost.

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, with the exception of freehold land, by equal annual instalments over their expected useful lives as follows:

Freehold properties	2%
Plant and machinery	10 - 20%
Motor vehicles	25%

#### Grants

Government and other similar grants are credited to a deferred income account and are recognised in the profit and loss account so as to match them with expenditure to which they are intended to contribute.

#### Research and development

Expenditure on research and development is written off in the year in which it is incurred.

#### Goodwill

Goodwill, which represents the excess of cost of acquisitions of businesses over the value attributed to their net assets, is amortised through the profit and loss account by equal instalments over its estimated useful economic life of up to a maximum of 20 years.

#### Stocks

Stocks are stated at the lower of cost and net realisable value, with due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress cost comprises direct materials, direct labour and an appropriate proportion of manufacturing overhead expenses.

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

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### Deferred taxation

Deferred taxation is recognised on a liability or asset if the transactions or events that give rise to an obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date. Deferred taxation assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

### Foreign currencies

Normal trading activities denominated in foreign currencies are recorded in sterling at actual exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated at the rates of exchange prevailing at the year end, except where they are covered by forward contracts in which case the rate appropriate to the forward contracts is used.

### Pensions

The company contributes to a group pension scheme which is a defined benefit scheme and fully funded. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over the employees working lives with the company. The effect of any experience surpluses is retained within the accounts of the ultimate parent company.

### Hire purchase and leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

## 2 Turnover

Turnover is the net invoiced value of goods and services provided by the company exclusive of VAT.

Turnover is attributable to one continuing activity, the manufacture of moulded plastic components.

The geographical analysis of turnover is as follows:

	2002	2001
	£	£
United Kingdom	1,521,041	2,512,210
Rest of Europe	768,284	64,252
Rest of World	135,998	-
	<u>2,425,323</u>	<u>2,576,462</u>

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

### 3 Operating loss before exceptional item

*The operating loss before exceptional item is arrived at as follows:*

	2002	2001
	£	£
Turnover	2,425,323	2,576,462
Finished goods & work in progress stock change	15,170	160,093
Raw materials and consumables	1,238,268	1,277,994
Employee costs (note 6)	830,776	814,504
Depreciation	224,319	186,932
Operating lease rentals - plant and machinery	14,015	9,173
Operating lease rentals - land and buildings	27,388	17,061
Auditors' remuneration	5,000	3,000
Management charge	100,000	100,000
Other operating charges	333,251	328,141
	<u>(362,864)</u>	<u>(320,436)</u>

### 4 Exceptional item

	2002	2001
	£	£
Impairment of trade and assets purchased (note 22)	<u>(7,436,455)</u>	<u>-</u>

### 5 Interest payable and similar charges

	2002	2001
	£	£
Bank overdraft	<u>17,903</u>	<u>23,290</u>

### 6 Directors and employees

Staff costs, including directors' remuneration, were as follows:

	2002	2001
	£	£
Wages and salaries	749,841	681,287
Social security costs	48,581	49,906
Pension costs	32,354	30,070
Redundancy costs	-	53,241
	<u>830,776</u>	<u>814,504</u>

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2002

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	<b>2002</b>	<b>2001</b>
	<b>Number</b>	<b>Number</b>
The average monthly number of employees, including directors, during the year was	<b>44</b>	<b>44</b>

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#### Directors' emoluments

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Emoluments	<b>55,906</b>	<b>36,666</b>

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Mr I Williamson, Mr T S Kurwie and Mr C Mawe were also directors of the holding company and fellow subsidiaries. Mr R Salt was also a director of fellow subsidiaries. These directors received remuneration of £511,062 (2001 - £525,169), all of which was paid by the holding company. The directors do not believe that it is practicable to apportion this amount between their service as directors of the holding company and the fellow subsidiary companies.

	<b>2002</b>	<b>2001</b>
	<b>Number</b>	<b>Number</b>
Retirement benefits were accruing to directors as follows:		
Defined benefit schemes	<b>4</b>	<b>4</b>

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# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2002

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#### 7 Pensions

The company is a member of a group pension scheme operated by Carclo plc.

The group scheme is a defined benefit scheme, the assets of which are held in trustee administered funds separate from those of the group. As from 1 April 2002 the scheme is no longer open to new members.

This company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis for the purpose of FRS17.

The most recent full actuarial valuation of the scheme was performed as at 1 April 2001, using the projected unit cost method. This valuation revealed a surplus. Since then the valuation has been updated by the scheme's actuary to assess the liabilities of the scheme as at 31 March 2002. This actuarial valuation revealed that the market value of assets was sufficient to cover only 93% of the liabilities of the scheme. Full details of these valuations are given in the financial statements of Carclo plc.

On the advice of the scheme's actuary the company made no cash contributions to the scheme during the current financial year (2001 - £nil). The SSAP 24 valuation showed a surplus applicable to the group amounting to £1,884,000 (2001 - £2,838,000). £181,000 has been credited to the group profit and loss account in respect of pensions in the year (2001 - £455,000). The total contributions made by the company to the scheme during the year were £32,354 (2001 - £30,070).

The financial assumptions used in calculating the liabilities for the scheme as at 31 March 2002 under FRS 17 are disclosed in full in the financial statements of Carclo plc. In summary these are as follows:

Discount rate for assessing plan liabilities	6.0%
Rate of increase in salaries	4.0%
Rate of increase in pensions in payment	2.7% to 4.1%
Rate of increase in deferred pensions	2.7%
Inflation rate	2.7%

The fair value of the assets held by the scheme as at 31 March 2002 along with the liabilities on the above basis, are as follows:

	Value at 31 March 2002
	£
Total market value of assets	110,826,000
Present value of plan liabilities	(123,742,000)
	-----
Deficit in the scheme	(12,916,000)
Related deferred tax asset	3,875,000
	-----
Net pension liability	(9,041,000)
	-----

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

### 8 Taxation

	2002 £	2001 £
Based on the loss for the year:		
UK corporation tax	(91,358)	(111,523)
Deferred tax	(16,204)	5,541
	<u>(107,562)</u>	<u>(105,982)</u>
The tax assessment differs from the standard rate of corporation tax for the following reasons:		
Loss on ordinary activities before tax	<u>(7,817,222)</u>	<u>(343,726)</u>
Loss on ordinary activities at standard rate of corporation tax of 30% (2001 - 30%)	(2,345,167)	(103,118)
Effect of:		
Depreciation in excess of capital allowances	(16,024)	(5,541)
Permanent differences	2,269,508	(2,529)
Prior year adjustment	325	(335)
Current tax credit for the period	<u>(91,358)</u>	<u>(111,523)</u>

### 9 Intangible fixed assets

Cost	Goodwill £
Additions (note 21)	36,695,718
At 31 March 2002	<u>36,695,718</u>
Amortisation	
Impairment losses	7,436,455
Net book value	
At 31 March 2002	<u>29,259,263</u>
At 31 March 2001	<u>-</u>

The impairment losses relate to the trade and assets acquired from CTP Alan Limited, CTP Precision Tooling Limited and CTP Silleck Scotland Limited.



# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

### 10 Tangible fixed assets

	<i>Freehold land and buildings</i>	<i>Long leasehold land and buildings</i>	<i>Plant and machinery</i>	<i>Motor vehicles</i>	<i>Total</i>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2001	548,271	-	1,788,472	56,549	2,393,292
Additions - non group	-	-	24,944	-	24,944
Additions - group	4,348,889	750,000	20,499,308	165,437	25,763,634
<b>At 31 March 2002</b>	<b>4,897,160</b>	<b>750,000</b>	<b>22,312,724</b>	<b>221,986</b>	<b>28,181,870</b>
Of which at valuation 1999	520,000	-			
<b>Depreciation</b>					
At 1 April 2001	18,589	-	748,056	18,170	784,815
Charge for the year	9,365	-	199,891	15,063	224,319
Group additions	167,743	30,000	14,091,024	94,175	14,382,942
<b>At 31 March 2002</b>	<b>195,697</b>	<b>30,000</b>	<b>15,038,971</b>	<b>127,408</b>	<b>15,392,076</b>
<b>Net book value</b>					
<b>At 31 March 2002</b>	<b>4,701,463</b>	<b>720,000</b>	<b>7,273,753</b>	<b>94,578</b>	<b>12,789,794</b>
At 31 March 2001	529,682	-	1,040,416	38,379	1,608,477

Freehold land and buildings were revalued on an open market for existing use basis as at 31 March 1999 by Eddisons Commercial Limited in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

Included in freehold land and buildings is land valued at £845,000 which is not depreciated.

The land and buildings transferred in from other group undertakings has previously been revalued.

On a historical cost basis, freehold land and buildings would have been included as follows:

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Cost	5,670,421	571,532
Cumulative depreciation based on cost	326,641	120,392

Assets held under finance leases and hire purchase originally cost £2,631,624 (2001: £nil) and have a net book value of £1,178,819 (2001: £nil). Depreciation charged for the year was £nil (2001: £nil).

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

<b>11</b>	<b>Stocks</b>	<b>2002</b>	<b>2001</b>
		£	£
	Raw materials	1,927,520	133,877
	Work in progress	518,559	-
	Finished goods	1,436,384	67,502
		<u>3,882,463</u>	<u>201,379</u>
<b>12</b>	<b>Debtors</b>	<b>2002</b>	<b>2001</b>
		£	£
	Trade debtors	7,302,998	563,389
	Taxation recoverable	1,580,293	111,188
	Amounts owed by group undertakings	2,141,625	-
	Other debtors	647,411	-
	Prepayments and accrued income	590,045	11,466
		<u>12,262,372</u>	<u>686,043</u>
<b>13</b>	<b>Creditors: amounts falling due within one year</b>	<b>2002</b>	<b>2001</b>
		£	£
	Bank loans and overdrafts	5,514,746	273,722
	Trade creditors	5,315,328	266,723
	Amounts owed to group undertakings	662,307	164,804
	Other taxes and social security	472,760	41,456
	Other creditors	656,374	27,595
	Accruals and deferred income	1,762,455	75,604
	Obligations under hire purchase and finance lease (Note 15)	475,528	-
		<u>14,859,498</u>	<u>849,904</u>
<b>14</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2002</b>	<b>2001</b>
		£	£
	Other loans	9,412	-
	Amounts owed to group undertakings	49,278,645	986,938
	Accruals and deferred income	428,448	-
	Obligations under hire purchase and finance lease (Note 15)	264,472	-
		<u>49,980,977</u>	<u>986,938</u>
<b>15</b>	<b>Obligations under hire purchase and finance leases</b>	<b>2002</b>	<b>2001</b>
		£	£
	Obligations under hire purchase contracts and finance leases are analysed between amounts payable:		
	In the next year	475,528	-
	In the second to fifth years inclusive	264,472	-
		<u>740,000</u>	<u>-</u>

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

### 16 Deferred taxation

	2002	2001 <i>as restated</i>
	£	£
At 1 April 2001	204,253	198,712
Movement in the year	(16,204)	5,541
Transfer from fellow subsidiary undertakings	639,302	-
At 31 March 2002	827,351	204,253

Deferred taxation is as follows:

	2002	2001
	£	£
Accelerated capital allowances	827,351	204,253

There is a potential liability which would arise if the company's revalued property was sold for its revalued amount. This liability is estimated at £64,000 (2001 - £64,000).

FRS 19 Deferred Taxation was adopted in the year under review. As a consequence a prior year adjustment of £57,784 was required in respect of accelerated capital allowances which had not been previously provided. The impact of adopting the new standard on the current and prior year profit and loss accounts is immaterial.

### 17 Share capital

	2002	2001
	£	£
<b>Authorised</b>		
<b>Equity shares</b>		
1,000,000 Ordinary shares of £1.00 each	1,000,000	1,000,000
<b>Allotted</b>		
<b>Equity shares</b>		
1,000,000 Allotted, called up and fully paid ordinary shares of £1.00 each	1,000,000	1,000,000

### 18 Reserves

	<i>Revaluation reserve</i>	<i>Profit and loss account</i>
	£	£
At 1 April 2001 as previously stated	78,542	(565,480)
Prior year adjustment (note 16)	-	(57,784)
At 1 April 2001 as restated	78,542	(623,264)
Loss for the year	-	(7,709,660)
Transfer in respect of depreciation	(859)	859
At 31 March 2002	77,683	(8,332,065)

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

### 19 Reconciliation of movement in shareholders' funds

	2002	2001
	£	£
Loss for the financial year	(7,709,660)	(237,744)
Opening shareholders' funds as restated	455,278	693,022
Closing shareholders' funds	<u>(7,254,382)</u>	<u>455,278</u>

### 20 Contingent liabilities

Guarantees have been given by the company in respect of amounts drawn against borrowing facilities of certain associated undertakings.

### 21 Operating lease commitments

At 31 March 2002 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and buildings</i>		<i>Plant and machinery</i>	
	2002	2001	2002	2001
	£	£	£	£
Operating leases which expire:				
Within one year	53,667	27,264	8,106	-
Between two and five years	49,007	-	37,209	4,968
After five years	128,035	-	-	-
	<u>230,709</u>	<u>27,264</u>	<u>45,315</u>	<u>4,968</u>

# CARCLO TECHNICAL PLASTICS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

### 22 Acquisition

On 28 March 2002 the company acquired the trade, assets and liabilities of CTP Alan Limited, CTP Davall Limited, CTP Precision Tooling Limited and CTP Silleck Limited together with certain residual assets of CTP Silleck Scotland Limited, following the previous cessation of trade in that company, for a consideration of £32,000,000 paid in cash. All the disposing companies are fellow subsidiary undertakings of Carclo Technical Plastics Limited.

The effect of the acquisition is summarised below:

Trade, assets and liabilities transferred from:	CTP Alan	CTP Davall	CTP Precision Tooling	CTP Silleck	Total
	£	£	£	£	£
Fixed assets	742,763	5,442,024	1,559,931	1,816,761	9,561,479
Stocks	320,696	2,210,683	131,557	444,516	3,107,452
Debtors	2,069,981	4,119,769	1,143,649	1,978,525	9,311,924
Cash	27	3,431			3,458
Creditors	(3,889,376)	(16,636,293)	(2,652,002)	(3,485,519)	(26,663,190)
Deferred taxation	(71,108)	(234,307)	(143,482)	(190,405)	(639,302)
Hire purchase obligations due after more than one year	(234,331)		(39,553)		(273,884)
Deferred grant income due after more than one year		(428,448)			(428,448)
Net (liabilities)/assets acquired	(1,061,348)	(5,523,141)	100	563,878	(6,020,511)
Consideration	3,000,000	18,800,000	2,500,000	5,500,000	29,800,000
Goodwill arising on acquisition	4,061,348	24,323,141	2,499,900	4,936,122	35,820,511

Residual assets transferred from CTP Silleck Scotland Limited:

	£
Fixed assets	1,819,214
Stocks	534,141
Debtors	2,025,565
Cash	215,794
Creditors	(3,269,921)
Net assets acquired	1,324,793
Consideration	2,200,000
Goodwill arising on acquisition	875,207

### 23 Ultimate parent company

The parent company and ultimate controlling party of the group of undertakings for which group accounts are drawn up and of which the company is a member is Carclo plc. Copies of Carclo plc's accounts can be obtained from Ploughland House, 62 George Street, Wakefield, WF1 1ZF.