

CTP PRECISION TOOLING LIMITED
ACCOUNTS
31 MARCH 2003

Company Registration Number 3387146



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CTP PRECISION TOOLING LIMITED

ACCOUNTS

YEAR ENDED 31 MARCH 2003

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CTP PRECISION TOOLING LIMITED

COMPANY INFORMATION

The board of directors

Mr C Mawe
Mr S D Pottage
Mr I Williamson

Company secretary

Mr S D Pottage

Registered office

York Road
Victoria Business Park
Burgess Hill
West Sussex
RH15 9TT

Auditors

Ernst & Young LLP
Registered Auditor
Leeds

CTP PRECISION TOOLING LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2003

The directors have pleasure in presenting their report and the accounts of the company for the year ended 31 March 2003.

Principal activities and business review

The company has not traded during the year.

The directors and their interests in shares of the parent company

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows:

	Ordinary shares of £0.05 in Carclo plc.	
	At 31 March 2003	At 1 April 2002
Mr C Mawe	22,467	22,467
Mr S D Pottage	-	-
Mr I Williamson	<u>283,086</u>	<u>271,086</u>

Also directors of the company were Mr C Hayllar who resigned on 1 June 2002, Mr T S Kurwie who resigned on 17 June 2002 and Mr R Salt who resigned on 11 July 2003.

The directors have also been granted options on the shares of the parent company as follows:

	Options held 1 Apr 2002	Granted in period	Lapsed in period	Options held 31 Mar 2003
Mr C Mawe	177,000	114,000	-	291,000
Mr S D Pottage	10,000	-	-	10,000
Mr R Salt	24,000	16,000	-	40,000
	864+	-	-	864+
Mr I Williamson	200,000	187,000	-	387,000
	8,649+	-	-	8,649+

+ indicates granted under Carclo Sharesave Option Scheme 2000.

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 at the end of the year and of the profit or loss for the year then ended. In preparing those accounts, the directors are required to:

select suitable accounting policies, as described on pages 8 to **Error! Bookmark not defined.**, 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 accounts; and

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

CTP PRECISION TOOLING LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2003

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 accounts comply with the Companies Act 1985. The directors 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 auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

By order of the directors



Mr S D Pottage, Secretary

Date: 15 January 2004

York Road
Victoria Business Park
Burgess Hill
West Sussex
RH15 9TT

CTP PRECISION TOOLING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MARCH 2003

We have audited the company's accounts for the year ended 31 March 2003 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 15. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 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.

Our responsibility is to audit the accounts in accordance with applicable United Kingdom law and accounting 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 financial statements. 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 the 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 information in the accounts.

CTP PRECISION TOOLING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 31 MARCH 2003

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 March 2003 and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Leeds

Date: *27 January 2004*

CTP PRECISION TOOLING LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2003

	Note	2003 £	2002 £
Turnover	2	—	1,592,406
Operating loss	3	—	(486,144)
Profit on disposal of business		—	2,499,900
Profit before interest		—	2,013,756
Interest payable	6	—	32,749
Profit on ordinary activities before taxation		—	1,981,007
Tax on profit on ordinary activities	7	—	(168,221)
Profit on ordinary activities after taxation		—	2,149,228
Dividends	8	—	89,400
Retained profit for the financial year		—	2,059,828

Statement of total recognised gains and losses

There are no recognised gains or losses for 2003 or 2002 other than those included in the profit and loss account.

The notes on pages 8 to 12 form part of these accounts.

CTP PRECISION TOOLING LIMITED

BALANCE SHEET

31 MARCH 2003

	Note	2003 £	2002 £
Fixed assets			
Investments	9	—	—
Current assets			
Debtors	10	2,500,000	2,500,000
Total assets		<u>2,500,000</u>	<u>2,500,000</u>
Capital and reserves			
Called-up equity share capital	12	100	100
Profit and loss account	13	2,499,900	2,499,900
Shareholders' funds	14	<u>2,500,000</u>	<u>2,500,000</u>



Mr S D Pottage
Director

Date: 15 January 2004

The notes on pages 8 to 12 form part of these accounts.

CTP PRECISION TOOLING LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2003

1. Accounting policies

Basis of accounting

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

Group accounts

Group accounts have not been prepared because the company is a wholly owned subsidiary undertaking of a company incorporated in Great Britain.

Cash flow statement

As permitted by FRS 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 parties transactions

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

2. Turnover

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

Turnover is wholly attributable to discontinued activities.

The geographical analysis of turnover is as follows:

	2003	2002
	£	£
United Kingdom	—	309,348
Rest of Europe	—	1,246,216
Rest of World	—	36,842
	<u>—</u>	<u>1,592,406</u>

CTP PRECISION TOOLING LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2003

3. Operating loss

The operating loss is arrived at as follows:

	2003 £	2002 £
Turnover	—	1,592,406
Finished goods and work in progress stock change	—	(103,098)
Raw materials and consumables	—	(709,306)
Employee costs (note 4)	—	(697,536)
Depreciation - owned assets	—	(83,616)
Depreciation - assets held under finance leases	—	(72,901)
Permanent diminution in value of fixed assets	—	(125,889)
Reorganisation of toolroom	—	(94,186)
Operating lease rentals - property	—	(70,000)
Auditors' remuneration	—	(3,750)
Other operating charges	—	(118,268)
	<u>—</u>	<u>(486,144)</u>

4. Particulars of employees

The average number of persons employed by the company during the financial year amounted to nil (2002 - 26).

The aggregate payroll costs of the above were:

	2003 £	2002 £
Wages and salaries	—	621,698
Social security costs	—	55,442
Other pension costs	—	20,396
	<u>—</u>	<u>697,536</u>

5. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2003 £	2002 £
Emoluments	—	75,654
Value of company pension contributions to money purchase schemes	—	6,500
	<u>—</u>	<u>82,154</u>

CTP PRECISION TOOLING LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2003

5. Directors' emoluments (continued)

The number of directors who are accruing benefits under company pension schemes was as follows:

	2003	2002
	No	No
Money purchase schemes	—	1
Defined benefit schemes	—	4

Mr I Williamson, Mr T S Kurwie and Mr C Mawe were also directors of the holding company and fellow subsidiary undertakings. Mr R Salt was also a director of fellow subsidiary undertakings. These directors received remuneration of £692,573 (2002 - £580,887), 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 undertakings.

6. Interest payable

	2003	2002
	£	£
Interest payable on bank borrowing	—	10,208
Finance charges	—	22,541
	—	32,749

7. Tax on profit on ordinary activities

(a) Analysis of charge in the year

	2003	2002
	£	£
Current tax:		
UK Corporation tax based on the results for the year	—	(174,361)
Total current tax	—	(174,361)
Deferred tax:		
Increase in deferred tax provision	—	6,140
Tax on profit on ordinary activities	—	(168,221)

CTP PRECISION TOOLING LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2003

7. Tax on profit on ordinary activities *(continued)*

(b) Factors affecting current tax charge

The tax charge differs from the standard rate of corporation tax in the UK of 30% (2002 - 30%) for the following reasons:

	2003	2002
	£	£
Profit on ordinary activities before taxation	—	1,981,007
Profit on ordinary activities at standard rate of tax of 30% (2002 - 30%)	—	594,302
Depreciation in excess of capital allowances	—	(18,693)
Profit on disposal	—	(749,970)
Total current tax (note 7(a))	—	(174,361)

8. Dividends

The following dividends have been paid in respect of the year:

	2003	2002
	£	£
Dividend paid on ordinary shares	—	89,400

9. Investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2002 and 31 March 2003	96,324
Provided	
At 1 April 2002 and 31 March 2003	96,324
Net book value	
At 31 March 2003	—

The investment consists of 100% of the ordinary share capital of KAS Precision Engineering Limited, which is incorporated in England and is dormant.

10. Debtors

	2003	2002
	£	£
Amounts owed by group undertakings	2,500,000	2,500,000

CTP PRECISION TOOLING LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2003

11. Deferred taxation

	2003 £	2002 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	—	137,348
Transfer to fellow subsidiary undertaking	—	(143,488)
Profit and loss account movement arising during the year	—	6,140
	<u>—</u>	<u>—</u>
Provision carried forward	—	—

12. Share capital

Authorised share capital:

	2003 £	2002 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2003 No	£	2002 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

13. Reserves

	Profit and loss account £
At 1 April 2002 & 31 March 2003	<u>2,499,900</u>

14. Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial year	—	2,149,228
Dividends	—	(89,400)
	<u>—</u>	<u>2,059,828</u>
Opening shareholders' equity funds	<u>2,500,000</u>	<u>440,172</u>
Closing shareholders' equity funds	<u>2,500,000</u>	<u>2,500,000</u>

15. Ultimate parent company

The immediate parent undertaking of the company is Finespark (Horsham) Limited. The 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.