

**Masterfix Products U.K. Limited (Formerly  
Staffordshire Fasteners Limited)**

**Report and Financial Statements**

**Year Ended**

**31 December 2001**

364 9205



**BDO Stoy Hayward**  
Chartered Accountants



**Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)**

**Annual report and financial statements for the year ended 31 December 2001**

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**Contents**

**Page:**

1	Report of the directors
3	Report of the independent auditors
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

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**Directors**

K A Troman  
R S Edgar  
J M E L Aarts

**Secretary and registered office**

K A Troman, Units 201-204 Anglesey Business Park, Littleworth Road, Hednesford,  
Cannock, Staffordshire, WS12 5NR

**Company number**

03649805

**Auditors**

BDO Stoy Hayward, Tameway Tower, PO Box 30  
Bridge Street, Walsall  
West Midlands, WS1 1QX

# Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

## Report of the directors for the year ended 31 December 2001

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The directors present their report together with the audited financial statements for the year ended 31 December 2001.

### Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year.

### Principal activities, review of business and future developments

The principal activity of the company during the year was the distribution of specialist fasteners and associated tools.

The company changed its name from Staffordshire Fasteners Ltd to Masterfix Products U.K. Ltd on 7 December 2001.

The directors are satisfied with the result for the year and the company's position at the year end. They anticipate continued profitability in the year to 31 December 2002.

### Directors

The directors of the company during the year and their interests in the ordinary share capital of the company were:

		Ordinary shares of £1 each	
		31 December 2001	1 January 2001
K A Troman		-	50
R S Edgar		-	50
J M E L Aarts	(Appointed 29 June 2001)	-	

J M E L Aarts had no interest in the company's shares at his date of appointment.

The directors have no interests in the ultimate parent company, Nationaal Grondbezit N.V., or any other group undertaking.

### Euro

The company is managing the impact of the single currency and has reviewed its commercial and accounting transactions.

Report of the directors for the year ended 31 December 2001 (*Continued*)

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**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 year. 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; and
- 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 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 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**

BDO Stoy Hayward were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

**By order of the board**

K A Troman

Secretary

16 April 2002

**Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)**

**Report of the independent auditors**

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**To the shareholders of Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)**

We have audited the financial statements of Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited) for the year ended 31 December 2001 on pages 5 to 15 which have been prepared under the accounting policies set out on pages 7 to 8.

*Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 United Kingdom Auditing Standards.

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 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.

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 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.

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Report of the independent auditors (*Continued*)

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*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 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward

**BDO STOY HAYWARD**

*Chartered Accountants  
and Registered Auditors*  
Walsall

19 April 2002

**Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)**

**Profit and loss account for the year ended 31 December 2001**

	Note	2001 £	2000 £
Turnover	2	3,253,005	3,351,322
Cost of sales		2,022,945	2,094,798
<b>Gross profit</b>		<b>1,230,060</b>	<b>1,256,524</b>
Distribution costs		135,160	124,475
Administrative expenses		645,384	559,046
<b>Operating profit</b>	3	<b>449,516</b>	<b>573,003</b>
Other interest receivable and similar income	6	571	539
Interest payable and similar charges	7	(15,914)	(29,609)
<b>Profit on ordinary activities before taxation</b>		<b>434,173</b>	<b>543,933</b>
Taxation on profit on ordinary activities	8	139,934	181,703
<b>Profit on ordinary activities after taxation for the year</b>		<b>294,239</b>	<b>362,230</b>
Retained profit brought forward		621,722	259,492
<b>Retained profit carried forward</b>		<b>915,961</b>	<b>621,722</b>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

The notes on pages 7 to 15 form part of these financial statements.

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Balance sheet at 31 December 2001

	Note	2001 £	2001 £	2000 £	2000 £
<b>Fixed assets</b>					
Tangible assets	9		135,143		185,971
<b>Current assets</b>					
Stocks	10	511,569		410,191	
Debtors	11	1,208,666		1,000,622	
Cash at bank and in hand		194,456		56,158	
		<u>1,914,691</u>		<u>1,466,971</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>1,045,493</u>		<u>915,357</u>	
<b>Net current assets</b>			<u>869,198</u>		<u>551,614</u>
<b>Total assets less current liabilities</b>			<u>1,004,341</u>		<u>737,585</u>
<b>Creditors: amounts falling due after more than one year</b>	13		<u>88,280</u>		<u>115,763</u>
			<u>916,061</u>		<u>621,822</u>
<b>Capital and reserves</b>					
Called up share capital	15		100		100
Profit and loss account			915,961		621,722
<b>Equity shareholders' funds</b>			<u>916,061</u>		<u>621,822</u>

The financial statements were approved by the Board on 16 April 2002

J M L Aarts  
Director

K A Troman  
Director

R S Edgar  
Director

The notes on pages 7 to 15 form part of these financial statements.

## 1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Masterfix Products BV and the company is included in consolidated financial statements.

### *Turnover*

Turnover represents sales to external customers at invoiced amounts less value added tax.

### *Depreciation*

Depreciation is provided to write off the cost valuation, less estimated residual values, of all tangible fixed assets over their expected useful lives. It is calculated at the following rates:

Leasehold property	- 25% reducing balance
Plant & machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance

### *Stocks*

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

### *Foreign currency*

Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising are written off to the profit and loss account.

### *Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

1 Accounting policies (*continued*)

*Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment 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. The capital part reduces the amounts payable to the lessor. All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

*Comparative figures*

In the comparative figures £18,564 has been reclassified to interest payable and similar charges from administrative costs. There is no effect on profit for the year.

2 Turnover

	2001 £	2000 £
Analysis by geographical market:		
United Kingdom	3,190,872	3,235,054
Europe	62,133	116,268
	<u>3,253,005</u>	<u>3,351,322</u>

Turnover is wholly attributable to the principal activity of the company.

3 Operating profit

	2001 £	2000 £
This is arrived at after charging:		
Depreciation of tangible fixed assets	43,840	37,522
Audit services	7,500	3,500
Loss on disposal of tangible fixed assets	1,896	2,209
	<u></u>	<u></u>

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Notes forming part of the financial statements for the year ended 31 December 2001 (Continued)

4 Employees

Staff costs (including directors) consist of:

	2001 £	2000 £
Wages and salaries	267,839	240,331
Social security costs	21,842	20,572
	<u>289,681</u>	<u>260,903</u>

The average number of employees (including directors) during the year was as follows:

	2001 Number	2000 Number
Warehouse staff	6	6
Administration and sales staff	11	11
	<u>17</u>	<u>17</u>

5 Directors' remuneration

	2001 £	2000 £
Aggregate emoluments	<u>93,794</u>	<u>93,647</u>

6 Other interest receivable and similar income

	2001 £	2000 £
Bank deposits	<u>571</u>	<u>539</u>

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

7 Interest payable and similar charges

	2001 £	2000 £
Finance leases and hire purchase contracts	12,661	11,045
Other interest	3,253	18,564
	<u>15,914</u>	<u>29,609</u>

8 Taxation on profit on ordinary activities

	2001 £	2000 £
<i>Current tax</i>		
UK corporation tax on profits of the year	140,000	154,253
Adjustment in respect of previous periods	(66)	27,450
	<u>139,934</u>	<u>181,703</u>

## 9 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Total £
<i>Cost</i>				
At 1 January 2001	14,316	69,289	197,318	280,923
Additions	-	3,173	-	3,173
Disposals	-	-	(14,390)	(14,390)
Group transfers	-	3,064	-	3,064
	<u>14,316</u>	<u>75,526</u>	<u>182,928</u>	<u>272,770</u>
<i>Depreciation</i>				
At 1 January 2001	10,757	50,688	33,507	94,952
Provided for the year	890	4,934	38,016	43,840
Disposals	-	-	(2,854)	(2,854)
Group transfers	-	1,689	-	1,689
	<u>11,647</u>	<u>57,311</u>	<u>68,669</u>	<u>137,627</u>
<i>Net book value</i>				
At 31 December 2001	<u>2,669</u>	<u>18,215</u>	<u>114,259</u>	<u>135,143</u>
At 31 December 2000	<u>3,559</u>	<u>18,601</u>	<u>163,811</u>	<u>185,971</u>

The net book value of tangible fixed assets includes an amount of £114,259 (2000 - £163,811) in respect of assets held under finance leases and hire purchase contracts. The related depreciation charge on these assets for the year was £38,016 (2000 - £30,251).

## 10 Stocks

	2001 £	2000 £
Finished goods and goods for resale	<u>511,569</u>	<u>410,191</u>

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

11 Debtors

	2001 £	2000 £
Trade debtors	1,137,800	886,837
Amounts owed by related undertaking	19,800	109,781
Director's loan account	1,444	-
Other debtors	43,641	-
Prepayments	5,981	4,004
	<u>1,208,666</u>	<u>1,000,622</u>

All amounts shown under debtors fall due for payment within one year.

The director's loan account represents the maximum overdrawn balance during the year.

12 Creditors: amounts falling due within one year

	2001 £	2000 £
Trade creditors	423,143	513,220
Amounts owed to group undertakings	355,445	-
Amounts owed to related undertaking	11,194	-
Taxation and social security	64,325	89,126
Corporation tax	146,587	160,703
Obligations under finance lease and hire purchase contracts	22,972	23,228
Directors loans	-	2,019
Factoring company	-	114,105
Accruals and deferred income	21,827	12,956
	<u>1,045,493</u>	<u>915,357</u>

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

13 Creditors: amounts falling due after more than one year

	2001 £	2000 £
Obligations under finance lease and hire purchase contracts	88,280	115,763
	<u>          </u>	<u>          </u>
Maturity of debt:		
	Finance leases 2001 £	Finance leases 2000 £
In one year or less, or on demand	22,972	23,228
	<u>          </u>	<u>          </u>
In more than one year but not more than two years	22,888	26,541
In more than two years but not more than five years	65,392	89,222
	<u>          </u>	<u>          </u>
	88,280	115,763
	<u>          </u>	<u>          </u>

14 Provision for liabilities and charges

*Deferred taxation*

	2001 £	Unprovided 2000 £
The deferred tax asset unprovided for is as follows:		
Capital allowances	10,457	3,201
	<u>          </u>	<u>          </u>
There is no provided deferred tax.		

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

15 Share capital

	2001	Authorised 2000	Allotted, called up and fully paid	
	£	£	2001	2000
			£	£
<i>Equity share capital</i>				
Ordinary shares of £1 each	100	100	100	100
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

16 Reconciliation of movements in shareholders' funds

	2001	2000
	£	£
Profit for the year	294,239	362,230
Opening shareholders' funds	(621,822)	(259,592)
	<u>          </u>	<u>          </u>
Closing shareholders' funds	916,061	621,822
	<u>          </u>	<u>          </u>

17 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

	2001	2000
	Land and buildings	Land and buildings
	£	£
Operating leases which expire:		
In two to five years	44,195	43,113
	<u>          </u>	<u>          </u>

Masterfix Products U.K. Limited (Formerly Staffordshire Fasteners Limited)

Notes forming part of the financial statements for the year ended 31 December 2001 (Continued)

18 Related party disclosures

*Related party transactions and balances*

Interfast U.K. Limited is the company's parent undertaking as detailed in note 19.

FastenerPack Systems Limited is controlled by R S Edgar and K A Troman, directors of the company.

	Sales to related party	Purchases from related party	Amounts owed by related party	Amounts owed to related party	
Fastener Pack Systems Limited	107,561	74,351	19,800	11,194	-
Interfast U.K. Limited (formerly Masterfix Products U.K. Limited)	125,352	201,971	-	241,376	-
<b>2000</b>					
Fastener Pack Systems Limited	25,193	61,776	120,849	-	-

The company sold two motor vehicles to Fastener Pack Systems Limited for £9,640 and received loan repayments of £120,849 during the year.

19 Ultimate parent company and parent undertaking of larger group

Until 28 June 2001 the company was controlled by its directors, K A Troman and R S Edgar.

On 29 June 2001 the company was acquired by Masterfix Products U.K. Limited, which became the company's parent undertaking from that date. From 29 June 2001 Nationaal Grondbezit N.V. became the company's ultimate parent undertaking. Nationaal Grondbezit N.V. is not controlled by any single party and group accounts are available from Adriaan Geokooplaan 3, Postbus 85818, 2508CM, The Netherlands.