

Company Registration No. 00995387 (England and Wales)

PRESSPART MANUFACTURING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

WEDNESDAY



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PRESSPART MANUFACTURING LIMITED

COMPANY INFORMATION

Directors	D J Biggs J Hemy G Clark D Schmitz P Schmelzer (Appointed 24 October 2011)
Secretary	D Schmitz
Company number	00995387
Registered office	Whitebirk Industrial Estate Blackburn BB1 5RF
Independent Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Bankers	HSBC Bank plc 60 Church Street Blackburn BB1 5AS
Solicitors	Cobbetts LLP 58 Mosley Street Manchester M2 3HZ

PRESSPART MANUFACTURING LIMITED

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PRESSPART MANUFACTURING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the year ended 31 December 2011

Principal activities and review of the business

Activities

Presspart Manufacturing Limited is a wholly owned subsidiary of the Heitkamp & Thumann Group, a family owned global enterprise founded in 1978 and leading global partners for the supply of world class precision formed components in both metal and plastic

The Heitkamp & Thumann Group has more than twenty medium-sized companies within four business divisions and a head office in Germany, Presspart Manufacturing Limited operates within the Presspart division

The activity of Presspart Manufacturing Limited in the United Kingdom is to manufacture high precision deep drawn metal parts for the Pharmaceutical industry and other industrial sectors

Financial performance

As shown in the company's profit and loss account on page 7, total company sales have increased by 29% due to continued growth and new innovation in the Pharmaceutical division and continued growth in product diversification in the Industrial division.

Total gross operating margins have improved by 0.9% compared to the previous year. This is mainly due to continued operational improvements through lean sigma activities and economies of scale with increasing sales.

Trade debtors of Presspart Manufacturing Limited at 31 December 2011 were equivalent to 39 days (2010 - 38 days)

Inventory days of Presspart Manufacturing Limited at 31 December 2011 were 30 days (2010 - 36 days). The 6 day decrease is due to the company returning back to normal stock holding levels following higher raw material holding at 2010 year end.

The cash balance of Presspart Manufacturing Limited at the 2011 year end was £0.081m (2010 - £0.753m), a decrease of £0.672m. Full details of the movement between the opening and closing cash balances over the year can be found in the cash flow statement on page 11.

Dividends

A dividend of £5m was paid for the year ended 31 December 2011 to our Parent Company, (2010 - £2.8m)

PRESSPART MANUFACTURING LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

Future prospects

Presspart Manufacturing Limited remains totally dedicated to its core business within the Pharmaceutical and Industrial division. In 2012 it will continue making significant progress with its Pharmaceutical strategy and will reassess its Industrial strategy. Presspart Manufacturing Limited will continue to focus on initiatives in operational excellence and six sigma training.

Risks and uncertainties

Competitive global pressure and high UK inflation rates are a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages this risk by providing high quality products to its customers, having fast response times in supplying products, and by maintaining strong long-term relationships with customers.

The fluctuations in raw material market prices and scrap prices are a continuing, high ranking risk to the business. Continued global trends such as volatile euro to sterling rates intensify this risk as the majority of raw material purchases come from European suppliers. The company continues to try to minimise this risk by entering into long term supplier contracts with partial price hedging.

Credit risk

Presspart Manufacturing Limited has a credit control policy where appropriate credit checks are made on potential customers and suppliers before any transactions occur. For existing customers, the company closely monitors their continued creditability via an external rating agency. A monthly reporting structure is established to make directors aware of any changes to credit risks.

Health, safety and environment

Presspart Manufacturing Limited is engaged in the manufacture of deep drawn metal pressings for a range of different industries. We recognise our responsibility in supplying products to our customers whilst striving to provide quality excellence, and endeavouring to minimise the impact on the environment. In pursuit of environmental excellence, we operate an Environmental Management System in compliance with the ISO 14001 2004 standard. Through this system we establish and review objectives, targets and improvement programmes in line with our significant environmental aspects.

Significant investment continues to be made in Health, Safety and Environmental projects, where particular attention has been given to developing strategies for sustainability and in particular improving energy efficiency.

Future objectives include implementation of the OHSAS 18001 standard for Occupational Health and Safety Management.

PRESSPART MANUFACTURING LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

Employment policies

Details of employees and related costs can be found in note 24 to the financial statements on page 27

Presspart Manufacturing Limited is committed to ensuring equal opportunities for all current and potential members of the company. It is committed to the promotion of standards of personal conduct based on respect for and the dignity of individuals. It is the company's policy to provide a working environment free from discrimination. All employees of Presspart are expected to support and contribute to the maintenance of this policy.

Employment of disabled people

The company gives full and fair consideration to the application for employment made by disabled people, having regard to their particular aptitude and abilities. Should employees become disabled, consideration would be given to appropriate training, including retraining for alternative work within the company.

Creditors payment policy

It is the policy of the company to agree appropriate terms and conditions for its transactions with suppliers and that payments should be made in accordance with these terms and conditions, providing that the supplier has also complied with them.

Where possible the company will take advantage of early settlement discounts. Trade creditors of Presspart Manufacturing Limited at 31 December 2011 were equivalent to 25 days (2010 - 36 days). The main reason for the decrease in creditor days was due to having increased purchases just prior to year end 2010 which did not reoccur in 2011.

Directors

The 2011 membership of the board is shown below, all directors served throughout the year. A new Chairman, P Schmelzer was appointed 24 October 2011.

D J Biggs

J Hemy

G Clark

D Schmitz

C Watling

P Schmelzer

(Resigned 24 October 2011)

(Appointed 24 October 2011)

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

PRESSPART MANUFACTURING LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



D Schmitz

Secretary

15. MARCH 2012

PRESSPART MANUFACTURING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRESSPART MANUFACTURING LIMITED

We have audited the financial statements of Presspart Manufacturing Limited for the year ended 31 December 2011 set out on pages 7 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

PRESSPART MANUFACTURING LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF PRESSPART MANUFACTURING LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

**Lorenzo Mosca (Senior Statutory Auditor)
for and on behalf of Saffery Champness**

19 March 2012
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**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

PRESSPART MANUFACTURING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £000	2010 £000
Turnover	2	28,261	21,855
Cost of sales		(20,760)	(16,261)
Gross profit		7,501	5,594
Distribution costs		(1,654)	(1,439)
Administrative expenses		(1,918)	(1,475)
Operating profit	3	3,929	2,680
Other interest receivable and similar income	4	21	54
Interest payable and similar charges	5	(86)	(106)
Profit on ordinary activities before taxation		3,864	2,628
Tax on profit on ordinary activities	6	(992)	(736)
Profit for the year	18	2,872	1,892

The profit and loss account has been prepared on the basis that all operations are continuing operations

The notes on pages 12 to 30 form part of these financial statements

PRESSPART MANUFACTURING LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £000	2010 £000
Profit for the financial year		2,872	1,892
Actuarial loss on pension scheme		(413)	(691)
Movement on deferred tax relating to pension asset		(11)	138
		<hr/>	<hr/>
Total recognised gains and losses relating to the year		2,448	1,339
		<hr/>	<hr/>

PRESSPART MANUFACTURING LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2011**

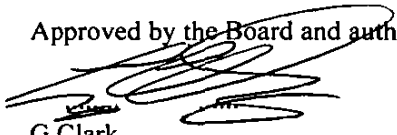
	Notes	2011 £000	2010 £000
Fixed assets			
Intangible assets	8	250	-
Tangible assets	9	6,745	6,454
		<u>6,995</u>	<u>6,454</u>
Current assets			
Stocks	10	2,174	2,033
Debtors	11	3,356	3,580
Cash at bank and in hand		81	753
		<u>5,611</u>	<u>6,366</u>
Creditors: amounts falling due within one year	12	<u>(5,228)</u>	<u>(3,144)</u>
Net current assets		<u>383</u>	<u>3,222</u>
Total assets less current liabilities		<u>7,378</u>	<u>9,676</u>
Creditors: amounts falling due after more than one year	13	(1)	(9)
Provisions for liabilities	14	(660)	(729)
Accruals and deferred income	15	-	(4)
		<u>6,717</u>	<u>8,934</u>
Retirement benefit obligations	16	<u>(3,710)</u>	<u>(3,375)</u>
		<u>3,007</u>	<u>5,559</u>
Capital and reserves			
Called up share capital	17	25	25
Profit and loss account	18	2,982	5,534
Shareholders' funds	19	<u>3,007</u>	<u>5,559</u>

The notes on pages 12 to 30 form part of these financial statements

PRESSPART MANUFACTURING LIMITED

**BALANCE SHEET (continued)
AS AT 31 DECEMBER 2011**

Approved by the Board and authorised for issue on 19. March 2012


G Clark
Director


D Schmitz
Director

Company Registration No. 00995387

PRESSPART MANUFACTURING LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	£000	2011 £000	£000	2010 £000
Net cash inflow from operating activities	27		3,923		3,594
Returns on investments and servicing of finance					
Interest received		21		54	
Interest paid		(10)		(1)	
Net cash inflow for returns on investments and servicing of finance			11		53
Taxation			(983)		(420)
Capital expenditure and financial investment					
Payments to acquire intangible assets		(250)		-	
Payments to acquire tangible assets		(1,357)		(1,013)	
Loan from group company		1,889		(500)	
Repayment of loan by group company		1,000		1,150	
Receipts from sales of tangible assets		103		1	
Net cash inflow/(outflow) for capital expenditure and financial investment			1,385		(362)
Equity dividends paid			(5,000)		(2,800)
Net cash (outflow)/inflow before management of liquid resources and financing			(664)		65
Financing					
Capital element of hire purchase contracts		(8)		(7)	
Net cash outflow from financing			(8)		(7)
(Decrease)/increase in cash in the year	28, 29		(672)		58

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

The transitional arrangements of FRS 15 have been adopted in the case of certain plant and machinery and properties which were revalued prior to the implementation of that standard. The plant and machinery was last revalued in 1988 and the properties were last revalued in 1991 and the valuations have not subsequently been updated.

Depreciation is not provided on freehold land. On other assets it is provided on cost in equal instalments over the estimated useful lives of the assets. Provision is made for any impairment. The rates of depreciation are as follows:

Land and buildings Freehold	40 years
Plant and machinery	3 - 20 years
Fixtures, fittings & equipment	10 years
Motor vehicles	4 years

1.5 Leasing and hire purchase commitments

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Operating lease rentals are charged to the income statement in equal annual amounts over the lease term.

1.6 Stock

Stocks and work-in-progress, other than on long-term contracts, are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price, less all further costs to completion and all relevant marketing, selling and distribution costs.

1.7 Revenue recognition

Revenue is recognised when goods have been delivered to the customer.

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

(continued)

1.8 Pensions

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

For the defined benefit section the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other financial costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses

The defined benefit section is funded, with the assets held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet

1.9 Foreign currency translation

Transactions denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date

1.10 Government grants

Government grants received are treated as deferred credit and released to revenue over the life of the asset to which they relate

1.11 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements

Deferred tax assets are recognised to the extent that it is regarded more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

1.12 Licenses

Licenses are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives

PRESSPART MANUFACTURING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011****2 Turnover****Geographical market**

	Turnover	
	2011	2010
	£000	£000
United Kingdom	4,969	2,379
Rest of Europe	16,306	13,521
The Americas	2,306	1,484
Other	4,680	4,471
	<u>28,261</u>	<u>21,855</u>

3 Operating profit

	2011	2010
	£000	£000
Operating profit is stated after charging		
Depreciation of tangible assets	977	1,037
Loss on disposal of tangible assets	-	82
Loss on foreign exchange transactions	44	22
Operating lease rentals		
- Plant and machinery	28	27
- Other assets	58	53
Fees payable to the company's auditor for the audit of the company's annual accounts	17	17
Fees payable to the company's auditors for non audit work	4	4
and after crediting		
Government grants	(8)	(8)
Profit on disposal of tangible assets	(8)	-
	<u>(8)</u>	<u>-</u>

4 Investment income

	2011	2010
	£000	£000
Bank interest	1	2
Interest received from loans made to group undertakings	20	52
	<u>21</u>	<u>54</u>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

5 Interest payable	2011 £000	2010 £000
On amounts payable to group companies	9	-
Hire purchase interest	1	1
Finance charges in respect of defined benefit scheme	76	105
	<hr/>	<hr/>
	86	106
	<hr/>	<hr/>

PRESSPART MANUFACTURING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

6	Taxation	2011 £000	2010 £000
	Domestic current year tax		
	U K corporation tax	1,058	843
	Adjustment for prior years	3	3
	Total current tax	1,061	846
	Deferred tax		
	Deferred tax credit current year	(112)	(104)
	Deferred tax adjustment for prior years	43	(6)
		(69)	(110)
		992	736
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	3,864	2,628
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2010 - 28.00%)	1,082	736
	Effects of		
	Non deductible expenses	3	19
	Depreciation in excess of capital allowances	32	114
	Short term timing differences	2	-
	Differences in tax rates	(61)	-
	FRS17 adjustments	-	(33)
	Adjustments in respect of prior years	3	3
	Other tax adjustments	-	7
		(21)	110
	Current tax charge for the year	1,061	846
7	Dividends	2011 £000	2010 £000
	Ordinary interim paid	5,000	2,800

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

8 Intangible fixed assets

	Licenses £000
Cost	
At 1 January 2011	-
Additions	250
	<hr/>
At 31 December 2011	250
	<hr/>
Net book value	
At 31 December 2011	250
	<hr/> <hr/>
At 31 December 2010	-
	<hr/> <hr/>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

9 Tangible fixed assets

	Land and buildings Freehold £000	Assets under construction £000	Plant and machinery £000	Fixtures, fittings & equipment £000	Motor vehicles £000	Total £000
Cost						
At 1 January 2011	2,172	410	12,497	3,720	18	18,817
Additions	29	906	260	162	-	1,357
Disposals	(12)	-	(206)	(25)	(6)	(249)
At 31 December 2011	2,189	1,316	12,551	3,857	12	19,925
Depreciation						
At 1 January 2011	800	-	9,200	2,345	18	12,363
On disposals	(6)	-	(124)	(24)	(6)	(160)
Charge for the year	77	-	567	333	-	977
At 31 December 2011	871	-	9,643	2,654	12	13,180
Net book value						
At 31 December 2011	1,318	1,316	2,908	1,203	-	6,745
At 31 December 2010	1,372	410	3,297	1,375	-	6,454

Comparable historical cost for the assets included at valuation:

	£000
Cost	
At 1 January 2011 & at 31 December 2011	3,698
Depreciation based on cost	
At 1 January 2011	2,870
Charge for the year	25
At 31 December 2011	2,895
Net book value	
At 31 December 2011	803
At 31 December 2010	828

PRESSPART MANUFACTURING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

9 Tangible fixed assets (continued)

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £000
Net book values	
At 31 December 2011	<u>7</u>
At 31 December 2010	<u>12</u>
Depreciation charge for the year	
At 31 December 2011	<u>5</u>
At 31 December 2010	<u>5</u>

Freehold land amounting to £400,000 (2010 - £400,000) has not been depreciated

10 Stocks	2011 £000	2010 £000
Raw materials and consumables	1,050	1,213
Finished goods and goods for resale	<u>1,124</u>	<u>820</u>
	<u>2,174</u>	<u>2,033</u>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

11 Debtors	2011	2010
	£000	£000
Trade debtors	2,832	2,136
Amounts owed by parent and fellow subsidiary undertakings	9	1,014
Other debtors	259	166
Prepayments and accrued income	256	264
	<hr/>	<hr/>
	3,356	3,580
	<hr/>	<hr/>

Amounts falling due after more than one year and included in the debtors above are

	2011	2010
	£000	£000
Amounts owed by group undertakings	-	100
	<hr/>	<hr/>

12 Creditors: amounts falling due within one year	2011	2010
	£000	£000
Net obligations under hire purchase contracts	6	6
Trade creditors	1,334	1,343
Amounts owed to parent and fellow subsidiary undertakings	1,898	20
Corporation tax	595	517
Other taxes and social security costs	145	131
Accruals and deferred income	1,250	1,127
	<hr/>	<hr/>
	5,228	3,144
	<hr/>	<hr/>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

13 Creditors: amounts falling due after more than one year	2011 £000	2010 £000
Net obligations under hire purchase contracts	<u>1</u>	<u>9</u>
Net obligations under hire purchase contracts		
Repayable within one year	6	6
Repayable between one and five years	<u>1</u>	<u>9</u>
	7	15
Included in liabilities falling due within one year	<u>(6)</u>	<u>(6)</u>
	<u>1</u>	<u>9</u>

14 Provisions for liabilities

	Deferred tax liability £000
Balance at 1 January 2011	729
Profit and loss account	<u>(69)</u>
Balance at 31 December 2011	<u>660</u>

The deferred tax liability is made up as follows:

	2011 £000	2010 £000
Accelerated capital allowances	671	740
Other timing differences	<u>(11)</u>	<u>(11)</u>
	<u>660</u>	<u>729</u>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

15 Accruals and deferred income

	Government grants £000
Balance at 1 January 2011	4
Released to profit in the year	(4)
	<hr/>
Balance at 31 December 2010	-
	<hr/>

16 Pension and other post-retirement benefit commitments

	2011 £000	2010 £000
Contributions payable by the company for the year in respect of the defined benefit scheme	223	208
Contributions payable by the company for the year in respect of the defined contribution scheme	353	352
	<hr/>	<hr/>

Defined benefit

The company operates a funded defined benefit scheme arrangement. The assets are held independently of the company in trustee administered funds. The defined benefit section was frozen on 1 October 2001 and subsequent contributions were made to a defined contribution scheme, the assets of which are held independently of the company in trustee administered funds.

A full actuarial valuation was last undertaken by qualified independent actuaries on 6 April 2008, using a market based approach. That valuation has been updated to 31 December 2011 by the independent actuaries.

The value of the assets of the scheme was £13,287,000 (2010 - £13,283,000) and this was sufficient to cover 73% (2010 - 74%) of the benefits which had accrued to members.

	2011 %	2010 %
The major assumptions used by the actuary were:		
Revaluation rate for deferred pensioners of CPI subject to a maximum of 5% p a	1.70	2.70
Pension in payment increases of RPI subject to a maximum of 5% p a	2.60	3.20
Discount rate	5.20	5.40
Average long term expected rate of return on assets	6.70	6.80
Inflation assumption	2.70	3.30
	<hr/>	<hr/>

PRESSPART MANUFACTURING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

16 Pension and other post-retirement benefit commitments**(continued)**

	2011	2010
	£000	£000
The assets in the scheme are as follows:		
Equities	6,245	6,376
Bonds	1,993	1,860
Cash	399	266
Other assets	4,650	4,781
	<hr/>	<hr/>
Total fair value of assets	13,287	13,283
Present value of scheme liabilities	(18,234)	(17,906)
	<hr/>	<hr/>
Deficit in scheme	(4,947)	(4,623)
Related deferred tax asset	1,237	1,248
	<hr/>	<hr/>
Net pension liability	(3,710)	(3,375)
	<hr/>	<hr/>
	2011	2010
	£000	£000
Analysis of the amount charged to operating profit		
Current service cost	(58)	(70)
	<hr/>	<hr/>
Total operating charge	(58)	(70)
	<hr/>	<hr/>
Analysis of the amount credited to other finance income		
Expected return on pension scheme assets	875	830
Interest on pension scheme liabilities	(951)	(935)
	<hr/>	<hr/>
Net return	(76)	(105)
	<hr/>	<hr/>
Analysis of amount recognised in the statement of total recognised gains and losses		
Actual return less expected return on pension scheme assets	(430)	422
Experience gains and losses arising on scheme liabilities	(611)	(53)
Changes in assumptions underlying the present value of the scheme liabilities	628	(1,060)
	<hr/>	<hr/>
Actual loss recognised in the statement of total recognised gains and losses	(413)	(691)
	<hr/>	<hr/>

PRESSPART MANUFACTURING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011****16 Pension and other post-retirement benefit commitments****(continued)**

	2011	2010
	£000	£000
Movement in deficit during the year		
Deficit in scheme at 1 January 2011	(4,623)	(3,965)
Operating charge	(58)	(70)
Other finance income	(76)	(105)
Contributions made	223	208
Actuarial losses	(413)	(691)
Deficit in scheme at 31 December 2011	<u>(4,947)</u>	<u>(4,623)</u>

The contributions made by the employer over the financial year have been £223,000, equivalent to £18,583 per calendar month. This level of contribution is expected to continue at similar levels for the next year. There is no longer any accrual of benefits in the defined benefits section.

History of experience gains and losses

	2011	2010	2009	2008	2007
	£000	£000	£000	£000	£000
Difference between the expected and actual return on scheme assets					
Amount	(430)	422	1,474	(2,510)	(143)
Percentage of scheme assets	(3.24%)	3.18%	11.92%	(23.75%)	(1.12%)
Experience gains and losses on scheme liabilities					
Amount	(611)	(53)	(43)	(74)	(151)
Percentage of the present value of the scheme liabilities	(3.35%)	(0.30%)	(0.26%)	(0.58%)	(1.0%)
Total amount recognised in statement of recognised gains and losses					
Amount	(413)	(691)	(1,710)	(466)	(174)
Percentage of the present value of scheme liabilities	(2.26%)	(3.86%)	(10.47%)	(3.65%)	(1.2%)

17 Share capital

	2011	2010
	£000	£000
Allotted, called up and fully paid		
25,000 ordinary shares of £1 each	<u>25</u>	<u>25</u>

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

18 Statement of movements on profit and loss account

	Profit and loss account £000
Balance at 1 January 2011	5,534
Profit for the year	2,872
Dividends paid	(5,000)
Actuarial gains or losses on pension scheme assets	(413)
Movement on deferred tax relating to pension asset	(11)
	<hr/>
Balance at 31 December 2011	<u>2,982</u>

19 Reconciliation of movements in shareholders' funds

	2011 £000	2010 £000
Profit for the financial year	2,872	1,892
Dividends	(5,000)	(2,800)
	<hr/>	<hr/>
	(2,128)	(908)
Other recognised gains and losses	(413)	(691)
Movement on deferred tax relating to pension asset	(11)	138
	<hr/>	<hr/>
Net depletion in shareholders' funds	(2,552)	(1,461)
Opening shareholders' funds	5,559	7,020
	<hr/>	<hr/>
Closing shareholders' funds	<u>3,007</u>	<u>5,559</u>

20 Contingent liabilities

A contingent liability exists in that the Trustees of the Presspart Manufacturing Retirement Benefit Scheme have the right to request a one-off payment into the scheme. The amount of any claim is not yet determined, however the directors estimate that a claim, if made, would not be more than £173,000

PRESSPART MANUFACTURING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

21 Financial commitments

At 31 December 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2012

	Other 2011 £000	2010 £000
Operating leases which expire		
Within one year	20	11
Within two to five years	29	69
	<u>49</u>	<u>80</u>

22 Capital commitments

At 31 December 2011 the company had capital commitments as follows

	2011 £000	2010 £000
Authorised but not contracted for	<u>160</u>	<u>547</u>

23 Directors' emoluments

	2011 £000	2010 £000
Emoluments for qualifying services	715	624
Company pension contributions to money purchase schemes	76	70
	<u>791</u>	<u>694</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2010 - 4)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	311	260
Company pension contributions to money purchase schemes	<u>35</u>	<u>33</u>

PRESSPART MANUFACTURING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

24 Employees**Number of employees**

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Production	116	113
Sales and distribution	10	10
Administration	11	11
	<u>137</u>	<u>134</u>

Employment costs

	2011 £000	2010 £000
Wages and salaries	4,589	4,030
Social security costs	390	374
Other pension costs	354	352
	<u>5,333</u>	<u>4,756</u>

25 Control

The ultimate parent company is Heitkamp and Thumann KG, a company based in Germany. This is also the ultimate controlling party of the company.

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

26 Related party transactions

The company undertakes transactions with a number of companies in the Heitkamp and Thumann Group during the normal course of business

During the year recharges of £302,321 (2010 - £282,241) were made by Heitkamp and Thumann GmbH and Co KG to Presspart Manufacturing Limited, of which £nil (2010 - £592) was outstanding at the year end During the year, recharges were also made from Presspart Manufacturing Limited to Heitkamp and Thumann GmbH and Co KG of £14,054 (2010 - £nil) During 2010, Presspart Manufacturing Limited made a loan of £500,000 to Heitkamp and Thumann GmbH and Co. KG none of which is outstanding at the year end (2010 - £500,000 outstanding) Interest of £4,145 (2010 - £3,776) was charged on this loan of which £nil is outstanding at the year (2010 - £3,776) Interest was charged at 2.923% on this loan

During the year, Heitkamp and Thumann Finance BV made a loan of £1,889,198 to Presspart Manufacturing Limited, which is outstanding at the year end Interest of £9,288 was charged on this loan, of which the full amount is outstanding at the year end and included in creditors Interest is charged at 3.339% on this loan During the year, Presspart Manufacturing Limited made a loan to Heitkamp and Thumann Finance BV of £800,000, of which none was outstanding at the year end Interest of £5,757 was received in relation to this loan Interest was charged at 2.701% on this loan

During the year recharges of £nil (2010 - £2,349) were made by H&T Marsberg GmbH & Co KG to Presspart Manufacturing Limited

During the year recharges of £46,672 (2010 - £27,097) were made by H&T Tool Design GmbH & Co KG to Presspart Manufacturing Limited and Presspart Manufacturing Limited purchased £55,651 (2010 - £67,220) of capital items from the company Presspart Manufacturing Limited sold tools to H&T Tool Design GmbH & Co KG of £nil (2010 - £471) At the year end £nil (2010 - £1,834) was due to H&T Tool Design GmbH & Co KG

During the year Presspart Manufacturing Limited made recharges of £506,513 (2010 - £399,112) to Presspart GmbH & Co KG, and recharges of £392,039 (2010 - £140,658) were made by Presspart GmbH & Co KG to Presspart Manufacturing Limited Presspart Manufacturing Limited sold £103,177 (2010 - £nil) of capital items to Presspart GmbH & Co KG, realising a profit of £19,000 Included in debtors is £5,036 (2010 - £4,701) due from Presspart GmbH & Co KG and included in creditors is £nil due to Presspart GmbH & Co KG (2010 - £17,655)

During the year recharges of £185,810 (2010 - £192,114) were made by H&T Waterbury to Presspart Manufacturing Limited

PRESSPART MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

26 Related party transactions

(continued)

In 2008 Presspart Manufacturing Limited made a loan of £2,500,000 to Doby Cleats Limited, of which £nil (2010 - £500,000) is outstanding at the year end. Interest of £9,920 (2010 - £31,021) was charged on this loan, of which £nil (2010 - £5,978) is outstanding at the year end and included within debtors. Interest is charged at 2.33%. Presspart Manufacturing Limited also purchased £nil of capital items from Doby Cleats Limited in the year (2010 - £15,938).

During the year H&T Dongguan made recharges of £74,814 (2010 - £47,401) to Presspart Manufacturing Limited.

During the year Presspart Manufacturing Limited sold goods of £nil (2010 - £1,353) and recharges of £316,751 (2010 - £510,330) to Presspart Manufacturing S.A. (formerly Nemo S.A.). Presspart Manufacturing S.A. sold goods of £nil (2010 - £2,832) and recharged £12,407 (2010 - £3,694) of expenses to Presspart Manufacturing Limited during the year. Included within debtors at the year end is £3,519 (2010 - £nil) due from Presspart Manufacturing S.A.

During the year Presspart Verwaltungs GMBH made recharges of £446 (2010 - £nil) to Presspart Manufacturing Limited. In the prior year, Presspart Manufacturing Limited made a loan of £2,800,000 to Presspart Verwaltungs GMBH, which was repaid in the year, in 2010 interest of £16,942 was received in relation to this.

During the year H&T Produktions Technologie made recharges of £3,390 to Presspart Manufacturing Limited (2010 - £nil).

27 Reconciliation of operating profit to net cash inflow from operating activities	2011	2010
	£000	£000
Operating profit	3,929	2,680
Depreciation of tangible assets	977	1,037
(Profit)/loss on disposal of tangible assets	(8)	82
Increase in stocks	(141)	(639)
Increase in debtors	(786)	(500)
Increase/(decrease) in creditors within one year	117	1,072
Pension scheme non-cash movement	(165)	(138)
Net cash inflow from operating activities	3,923	3,594

PRESSPART MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

28 Analysis of net funds	1 January 2011	Cash flow	Other non- cash changes	31 December 2011
	£000	£000	£000	£000
Net cash				
Cash at bank and in hand	753	(672)	-	81
Debt				
Finance leases	(15)	8	-	(7)
Net funds	738	(664)	-	74

29 Reconciliation of net cash flow to movement in net funds	2011 £000	2010 £000
(Decrease)/increase in cash in the year	(672)	58
Cash inflow from decrease in debt and lease financing	8	7
Movement in net funds in the year	(664)	65
Opening net funds	738	673
Closing net funds	74	738

30 Major non-cash transactions

There were no major non-cash transactions in the year