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HAMILTON CABLES LIMITED
STATEMENT OF CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED
31ST DECEMBER 2000



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COMPANIES HOUSE 02/05/01

**HAMILTON CABLES LIMITED
INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000**

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**HAMILTON CABLES LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2000**

The directors present their report together with the financial statements for the year ended 31st December 2000.

1. Principal activity

The group has been principally engaged as a distributor of electrical cables.

2. Results and dividends

The results for the year and financial position of the company and group are as shown in the annexed financial statements.

3. Dividends

No dividends will be distributed for the year ended 31st December 2000.

4. Directors

The directors during the year under review were:-

Mr PAH Stewart
Mr A Bragagni
Mr JS Light
Mr JLH Stewart

The beneficial interests of the directors holding office on 31st December 2000 in the issued share capital of the company were as follows:-

Ordinary £1 shares	31.12.00	1.1.00
Mr PAH Stewart	-	-
Mr A Bragagni	2	2
Mr JS Light	24	24
Mr JLH Stewart	24	24

The remaining 50 shares are held by Alma Sapa, the company's parent company which is registered in Italy. The voting rights are held by Mr A Bragagni who is the ultimate controlling shareholder.

**HAMILTON CABLES LIMITED
REPORT OF THE DIRECTORS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2000**

5. 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 the group and of the profit or loss of the group for that period. 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

6. Auditors

Hewitt Card offer themselves for re-appointment as auditors in accordance with Section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

.....

Mr JS Light
Secretary

Date 22/2/2001

HAMILTON CABLES LIMITED
REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF HAMILTON CABLES LIMITED
FOR THE YEAR ENDED 31ST DECEMBER 2000

We have audited the financial statements on pages 4 to 18 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies on page 4.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

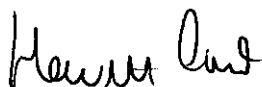
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 31st December 2000 and of the profit of the group for the year ended and have been properly prepared in accordance with the Companies Act 1985.

HEWITT CARD
REGISTERED AUDITORS AND
CHARTERED ACCOUNTANTS
72 NOTTINGHAM ROAD
MANSFIELD
NOTTS
NG18 1BN



Date 22/2/2001

HAMILTON CABLES LIMITED
ACCOUNTING POLICIES
FOR THE YEAR ENDED 31ST DECEMBER 2000

a) Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and incorporate the results of the principal activity which is described in the directors report and which is continuing.

b) Consolidation

The consolidated financial statements include the results of Hamilton Cables Limited and its subsidiary undertakings drawn up to 31st December 2000. No profit and loss account for the company has been presented for Hamilton Cables Limited as permitted by Section 230 of the Companies Act 1985.

c) Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

d) Goodwill

Purchased goodwill arising on the acquisition of subsidiary undertakings is set off directly against reserves in the year of acquisition.

e) Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold buildings	2% on cost
Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	10% reducing balance

Surpluses and deficits arising from the professional valuations of properties are taken direct to the revaluation reserve. Where a diminution in the value of the asset is identified, the deficit is eliminated first against any revaluation reserve in respect of that asset with any excess being charged to the profit and loss account. Surpluses or deficits realised on the disposal of an asset are transferred from the revaluation reserve to the profit and loss amount reserve.

f) Lease and hire purchase contracts

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss over the relevant period. The capital element of the future payments is treated as a liability.

g) Stocks

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

h) Pensions - defined contribution scheme

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

i) Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

HAMILTON CABLES LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2000

	Notes	2000 £	1999 £
Turnover	1	5,013,650	5,556,537
Cost of sales		<u>3,741,104</u>	<u>4,146,451</u>
Gross profit		1,272,546	1,410,086
Administration expenses		<u>1,174,294</u>	<u>1,361,583</u>
		98,252	48,503
Other operating income		<u>54,284</u>	<u>38,964</u>
Operating profit	2	152,536	87,467
Interest receivable		<u>45</u>	<u>454</u>
		152,581	87,921
Interest payable and similar charges	3	<u>147,231</u>	<u>125,967</u>
Profit/(loss) on ordinary activities before taxation		5,350	(38,046)
Tax on profit on ordinary activities	5	<u>308</u>	<u>1,199</u>
Profit/(loss) on ordinary activities after taxation		5,042	(39,245)
Minority interest		<u>3,780</u>	<u>(36,914)</u>
Profit/(loss) for the financial year attributable to members of the holding company	19	<u>£8,822</u>	<u>£(76,159)</u>

Continuing Operations

None of the group activities were acquired or discontinued during the above two financial periods.

Total Recognised Gains and Losses

There were no recognised gains and losses in 2000 or 1999 other than the loss for the period.

Note of Historical Cost, Profits and Losses

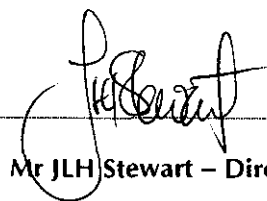
The difference between the results are disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

The accounting policies and notes on pages 4 and 9 to 18 form part of these financial statements.

HAMILTON CABLES LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31ST DECEMBER 2000

	Notes	£	2000	£	£	1999	£
Fixed assets							
Tangible assets	7			1,020,349			1,052,939
Current assets							
Stock	9	1,186,242			1,087,203		
Debtors	10	1,455,820			1,406,230		
Cash at bank and in hand		17,880			21,393		
		<u>2,659,942</u>			<u>2,514,826</u>		
Creditors: amounts falling due							
Within one year	11	<u>3,318,316</u>			<u>3,301,533</u>		
Net current liabilities				(658,374)			(786,707)
				<u>361,975</u>			<u>266,232</u>
Creditors amounts falling due							
After more than one year	12			(270,557)			(179,856)
				<u>91,418</u>			<u>86,376</u>
Minority interest				3,780			-
				<u>£95,198</u>			<u>£86,376</u>
Capital and reserves							
Called up share capital	17			100			100
Revaluation reserve	18			135,330			137,430
Profit and loss account	19			(40,232)			(51,154)
Shareholders funds	20			<u>£95,198</u>			<u>£86,376</u>

On behalf of the Board:



Mr J.L.H. Stewart – Director

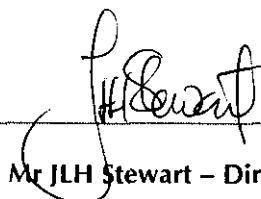
Approved by the Board on: 21/3/2001

The accounting policies and notes on pages 4 and 9 to 18 form part of these financial statements.

HAMILTON CABLES LIMITED
BALANCE SHEET
AS AT 31ST DECEMBER 2000

	Notes	£	2000	£	£	1999	£
Fixed assets							
Tangible assets	7			923,867			929,897
Investments	8			<u>251</u>			<u>251</u>
				924,118			930,148
Current assets							
Stock	9	900,736			834,196		
Debtors	10	1,545,092			1,358,375		
Cash at bank and in hand		<u>6,978</u>			<u>425</u>		
		2,452,806			2,192,996		
Creditors: amounts falling due within one year	11	<u>2,814,747</u>			<u>2,675,271</u>		
Net current liabilities				(361,941)			(482,275)
Total assets less current liabilities				562,177			447,873
Creditors amounts falling due after more than one year							
	12			<u>268,377</u>			<u>(164,600)</u>
				<u>£293,800</u>			<u>£283,273</u>
Capital and reserves							
Called up share capital	17			100			100
Revaluation reserve	18			135,330			137,430
Profit and loss account	19			<u>158,370</u>			<u>145,743</u>
Shareholders funds	20			<u>£293,800</u>			<u>£283,273</u>

On behalf of the Board:


 Mr J L H Stewart – Director

Approved by the Board on: 22/12/2001

The accounting policies and notes on pages 4 and 9 to 18 form part of these financial statements.

HAMILTON CABLES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2000

	Notes	2000	1999
		£	£
Net cash inflow from operating activities	24	297,440	339,665
Returns on investments and servicing of finance	25	(147,186)	(125,513)
Taxation		(308)	(1,199)
Capital expenditure and financial investment	26	(59,367)	(67,872)
Equity dividends paid		-	(3,360)
Financing	27	44,929	(89,056)
Increase in cash in the period		<u>135,508</u>	<u>£52,665</u>
Reconciliation of net cash flow to movement in net debt	28		
Increase in cash in the period		135,508	52,665
Cash inflow from decrease in debt and lease financing		<u>44,715</u>	<u>61,357</u>
Change in net debt resulting from cash flows		180,223	114,022
New finance leases		-	(85,831)
Movement in net debt in the period		<u>180,223</u>	<u>28,191</u>
Net debt at 1 st January 2000		<u>(920,394)</u>	<u>(948,585)</u>
Net debt at 31 st December 2000		<u>£(740,171)</u>	<u>£(920,394)</u>

HAMILTON CABLES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000

1. Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the groups ordinary activities, stated net of value added tax.

2. Operating profit

Operating profit is stated after charging:

	2000	1999
	£	£
Depreciation - owned assets	52,450	47,294
Depreciation - assets on hire purchase	24,231	27,401
Loss on disposal of assets	15,276	6,031
Operating leases	7,592	8,009
Auditors remuneration	<u>12,928</u>	<u>12,394</u>
Directors emoluments	<u>114,815</u>	<u>137,590</u>

3. Interest payable and similar charges

	2000	1999
	£	£
Invoice discounting interest	64,528	56,142
Bank interest	23,484	19,342
Hire purchase interest	7,176	7,109
Interest on related party debt	<u>52,043</u>	<u>43,374</u>
	<u>147,231</u>	<u>125,967</u>

4. Staff costs

	2000	1999
	£	£
Wages and salaries	608,132	724,945
Social security	52,908	60,106
Pension costs	<u>29,558</u>	<u>34,098</u>
	<u>690,598</u>	<u>819,149</u>

The average number of employees during the year was 36, (1999:42).

HAMILTON CABLES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2000

5. Tax on profit/(loss) on ordinary activities

The taxation charge is based on the profit for the year and is made up as follows:

	2000 £	1999 £
UK corporation tax	308	-
Adjustment in respect of previous years	-	1,199
	<u>£308</u>	<u>£1,199</u>

UK corporation tax has been charged at 20%, (1999:20%). The tax charges are stated after adjustment for marginal and group relief.

6. Profit attributable to members of the holding company

The profit dealt with in the accounts of the parent company amounted to £10,527, (1999:£5,463).

7. Tangible fixed assets - group

	Freehold Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost or valuation					
At 1 st January 2000	802,563	211,767	182,066	172,632	1,369,028
Additions	1,930	36,961	7,971	51,884	98,746
Disposals	-	(8,475)	(2,081)	(75,784)	(86,340)
At 31 st December 2000	<u>804,493</u>	<u>240,253</u>	<u>187,956</u>	<u>148,732</u>	<u>1,381,434</u>
Depreciation					
At 1 st January 2000	55,608	137,083	78,756	44,642	316,089
Provided in the year	11,930	22,193	11,644	30,914	76,681
Disposals	-	(6,156)	(1,270)	(24,259)	(31,685)
At 31 st December 2000	<u>67,538</u>	<u>153,120</u>	<u>89,130</u>	<u>51,297</u>	<u>361,085</u>
Net book amount					
At 31 st December 2000	<u>736,955</u>	<u>87,133</u>	<u>98,826</u>	<u>97,435</u>	<u>1,020,349</u>
At 31 st December 1999	<u>746,955</u>	<u>74,684</u>	<u>103,310</u>	<u>127,990</u>	<u>1,052,939</u>

HAMILTON CABLES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2000

Note 7. Continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant & Machinery	Motor Vehicles	Total
	£	£	£
Cost			
At 1 st January 2000	4,500	162,559	167,059
Additions	-	20,388	20,388
Transferred to ownership	(4,500)	(59,244)	(63,744)
At 31 st December 2000	-	123,703	123,703
Depreciation			
At 1 st January 2000	450	42,209	42,659
Provided in year	-	24,231	24,231
Transferred to ownership	(450)	(21,437)	(21,887)
At 31 st December 2000	-	45,003	45,003
Net book amount			
At 31 st December 2000	-	78,700	78,700
At 31 st December 1999	4,050	120,350	124,400

Tangible fixed assets - company

	Freehold Land & Buildings	Plant & Machinery	Fixtures & Fittings	Motor Vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 st January 2000	802,563	134,307	150,683	88,468	1,176,021
Additions	1,930	36,079	7,971	42,561	88,541
Disposals	-	(3,493)	-	(67,935)	(71,428)
At 31 st December 2000	804,493	166,893	158,654	63,094	1,193,134
Depreciation					
At 1 st January 2000	55,608	96,350	63,534	30,632	246,124
Provided in the year	11,930	14,859	9,499	13,065	49,353
Disposals	-	(3,118)	-	(23,092)	(26,210)
At 31 st December 2000	67,538	108,091	73,033	20,605	269,267
Net book amount					
At 31 st December 2000	736,955	58,802	85,621	42,489	923,867
At 31 st December 1999	746,955	37,957	87,149	57,836	929,897

HAMILTON CABLES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2000

Note 7. Continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor Vehicles
	£
Cost	
At 1 st January 2000	78,395
Additions	11,065
Disposals	(51,395)
At 31 st December 2000	<u>38,065</u>
Depreciation	
At 1 st January 2000	28,199
Provided in year	6,382
Disposals	(20,270)
At 31 st December 2000	<u>14,311</u>
Net book amount	
At 31 st December 2000	<u>23,754</u>
At 31 st December 1999	<u>50,196</u>

Freehold land and buildings

The company's freehold land and buildings at Inkersall, Chesterfield were revalued on 6th October 1993 by Bothams, Chartered Surveyors on an existing use open market value basis.

Historical cost information

If freehold land and buildings had not been revalued it would have been included at the following historical cost:

	2000	1999
	£	£
Freehold property historical cost	<u>661,402</u>	<u>610,043</u>

The company has taken advantage of the transitional provisions of FRS15 and is carrying the book value of its freehold land and buildings as per the last valuation as stated above.

Cost or valuation at 31st December 2000 is represented by:

Group	Freehold Land & Building	Plant & Machinery	Fixtures & Fittings	Motor Vehicles	Totals
	£	£	£	£	£
Valuation in 1993	150,030	-	-	-	150,030
Cost	<u>654,463</u>	<u>240,253</u>	<u>187,956</u>	<u>148,732</u>	<u>1,231,404</u>
	<u>804,493</u>	<u>240,253</u>	<u>187,956</u>	<u>148,732</u>	<u>1,381,434</u>

HAMILTON CABLES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2000

Note 7. Continued

Company	Freehold Land & Building £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Totals £
Valuation in 1993	150,030	-	-	-	150,030
Cost	<u>654,463</u>	<u>166,893</u>	<u>158,654</u>	<u>63,094</u>	<u>1,043,104</u>
	<u>804,493</u>	<u>166,893</u>	<u>158,654</u>	<u>63,094</u>	<u>1,193,134</u>

8. Investments

Name of Company	2000		1999		Country of Registration & operation
	Cost £	Holding %	Cost £	Holding %	
Hamilton Cables (East Anglia) Ltd	100	100	100	100	England
Hamilton Cables (East Riding) Ltd	76	76	76	76	England
Hamilton Pow-R-Safe Systems Ltd	<u>75</u>	<u>100</u>	<u>75</u>	<u>100</u>	England
	<u>251</u>		<u>251</u>		

All of the above holdings are of £1 ordinary shares

9. Stock

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Stock for resale	<u>1,186,242</u>	<u>1,087,203</u>	<u>900,736</u>	<u>834,196</u>

10. Debtors

Amounts falling due within one year:

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Trade debtors	1,380,878	1,315,067	881,936	753,480
Amounts owed by group undertakings	-	-	570,198	489,025
Other debtors	24,959	23,997	6,074	5,212
Prepayments and accrued income	<u>49,983</u>	<u>67,166</u>	<u>86,884</u>	<u>110,658</u>
	<u>1,455,820</u>	<u>1,406,230</u>	<u>1,545,092</u>	<u>1,358,375</u>

HAMILTON CABLES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2000

11. Creditors

Amounts falling due within one year:

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Bank loans and overdrafts	750,016	907,239	399,622	520,747
Trade creditors	708,232	889,094	600,621	731,893
Amounts owed to related undertakings	57,007	59,034	57,007	59,034
Amounts owed to group undertakings	1,524,119	1,197,148	1,524,119	1,197,148
Social Security and other taxes	183,492	131,259	187,958	110,205
Hire purchase	24,501	52,071	5,416	18,304
Accruals	58,476	65,688	40,004	37,940
Other creditors	12,473	-	-	-
	<u>3,318,316</u>	<u>3,301,533</u>	<u>2,814,747</u>	<u>2,675,271</u>

12. Creditors

Amounts falling due after more than one year:

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Bank loan	265,937	158,091	265,937	158,091
Hire purchase	4,620	21,765	2,440	6,509
	<u>270,557</u>	<u>179,856</u>	<u>268,377</u>	<u>164,600</u>

13. Loans and overdrafts

An analysis of the maturity of loans and overdrafts is given below:

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	728,930	867,951	378,536	481,459
Bank loans	21,086	39,288	21,086	39,288
	<u>750,016</u>	<u>907,239</u>	<u>399,622</u>	<u>520,747</u>
Amounts falling due between one and two years:				
Bank loans	<u>21,086</u>	<u>39,288</u>	<u>21,086</u>	<u>39,288</u>
Amounts falling due between two and five years:				
Bank loans	<u>63,258</u>	<u>91,064</u>	<u>63,258</u>	<u>91,064</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	<u>181,593</u>	<u>27,739</u>	<u>181,593</u>	<u>27,739</u>

HAMILTON CABLES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2000

Note 13. Continued

The company's bank loans and overdraft are secured by a mortgage debenture over the company's assets and legal mortgages over the company's freehold land and buildings.

14. Obligations under hire purchase contracts and leases

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Gross obligations repayable:				
Within one year	26,824	56,507	6,083	19,182
Between one and five years	4,931	56,267	2,751	6,968
	<u>31,755</u>	<u>112,774</u>	<u>8,834</u>	<u>26,150</u>
Finance charges repayable:				
Within one year	2,323	4,436	667	878
Between one and five years	311	2,182	311	459
	<u>2,634</u>	<u>6,618</u>	<u>978</u>	<u>1,337</u>
Net obligations repayable:				
Within one year	24,501	52,071	5,416	18,304
Between one and five years	4,620	21,765	2,440	6,509
	<u>29,121</u>	<u>73,836</u>	<u>7,856</u>	<u>24,813</u>

The following payments are committed to be paid within one year in respect of operating leases:

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Expiring:				
Within one year	5,989	-	5,664	-
Between one and five years	16,845	-	16,520	-
	<u>22,834</u>	<u>-</u>	<u>22,184</u>	<u>-</u>

15. Secured Debts

The following secured debtors are included within creditors:

	2000	1999
	£	£
Bank overdraft	728,930	867,951
Bank loans	287,023	197,379
Hire purchase contract	29,121	73,836
	<u>1,045,074</u>	<u>1,139,166</u>

16. Deferred taxation

The maximum potential liability for which no provision has been made in the accounts is as follows:

	2000	1999
	£	£
Accerlated capital allowances	<u>23,612</u>	<u>21,943</u>

HAMILTON CABLES LIMITED
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FOR THE YEAR ENDED 31ST DECEMBER 2000

17. Called up share capital

	2000 and 1999	
	Authorised £	Issued and Fully paid £
Ordinary shares of £1 each	<u>100,000</u>	<u>100</u>

18. Revaluation reserve - company and group

	2000 £	1999 £
At 1 st January 2000	137,430	139,530
Transfer to profit and loss account	<u>(2,100)</u>	<u>(2,100)</u>
At 31 st December 2000	<u>135,330</u>	<u>137,430</u>

19. Profit and loss account - group

	2000 £	1999 £
At 1 st January 2000	(51,154)	22,905
Profit/(loss) for the year	8,822	(76,159)
Transfer from revaluation reserve	<u>2,100</u>	<u>2,100</u>
At 31 st December 2000	<u>(40,232)</u>	<u>(51,154)</u>

Profit and loss account - company

	2000 £	1999 £
At 1 st January 2000	145,743	138,180
Profit for the year	10,527	5,463
Transfer from revaluation reserve	<u>2100</u>	<u>2,100</u>
At 31 st December 2000	<u>158,370</u>	<u>145,743</u>

20. Reconciliation of movement in shareholders funds – group

	2000 £	1999 £
Profit/(loss) for the year	<u>8,822</u>	<u>(76,159)</u>
Net addition to/(reduction of) shareholders funds	8,822	(76,159)
Shareholders funds at 1 st January 2000	<u>86,376</u>	<u>162,535</u>
Shareholders funds at 31 st December 2000	<u>95,198</u>	<u>86,376</u>
Equity interests	<u>95,198</u>	<u>86,376</u>

Reconciliation of movement in shareholders funds – company

	2000 £	1999 £
Profit for the year	<u>5,527</u>	<u>5,463</u>
Net addition to shareholders funds	5,527	5,463
Shareholders funds at 1 st January 2000	<u>283,273</u>	<u>277,810</u>
Shareholders funds at 31 st December 2000	<u>288,800</u>	<u>283,273</u>
Equity interests	<u>288,800</u>	<u>283,273</u>

HAMILTON CABLES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2000

22. Contingent liabilities

The group had no contingent liabilities at 31st December 2000 or at 31st December 1999.

23. Related Party Disclosures

During the year the group traded with other companies within the Alma Sapa Group. The trade between the companies, which was on a normal commercial basis, consisted of the supply of goods and services. The amounts involved during the year were:-

	2000
	£
Tratos Cavi - Purchases	<u>1,555,550</u>

All transactions were made at cost. At 31st December 2000, £1,524,119 was due to Tratos Cavi.

At 31st December 2000, £57,007 was due to Level One Communications Limited, a company in which Mr PAH Stewart and Mr J Light hold an interest, there was no trade between the companies during the year.

The ultimate controlling party is Mr A Bragagni, a shareholding director of Hamilton Cables Limited who also holds a controlling interest in the ultimate parent company Alma Sapa.

24. Reconciliation of operating profit to net cash inflow from operations.

	2000	1999
	£	£
Operating profit	152,536	87,467
Depreciation charges	76,681	74,695
Loss on disposal of assets	15,276	6,031
(Increase)/decrease in stock	(99,039)	235,164
(Increase)/decrease in debtors	(49,590)	67,115
(Increase)/decrease in creditors	201,576	(130,807)
Net cash inflow from operating activities	<u>297,440</u>	<u>339,665</u>

25. Returns on investments and servicing of finance

	2000	1999
	£	£
Interest received	45	454
Interest paid	(140,055)	(118,858)
Interest element of hire purchase payments	<u>(7,176)</u>	<u>(7,109)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(147,186)</u>	<u>(125,513)</u>

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FOR THE YEAR ENDED 31ST DECEMBER 2000

26. Capital expenditure and financial investment

	2000	1999
	£	£
Purchase of tangible fixed assets	(98,746)	(93,105)
Investment purchases	-	(25)
Sale of tangible fixed assets	<u>39,379</u>	<u>25,258</u>
Net cash (outflow)/inflow for returns on investments and servicing of finance	<u>(59,367)</u>	<u>(67,872)</u>

27. Financing

	2000	1999
	£	£
New loan taken out in year	323,461	-
Loan repayments in year	<u>(278,532)</u>	<u>(89,056)</u>
Net cash inflow/(outflow) from financing	<u>44,929</u>	<u>(89,056)</u>

28. Analysis of changes in debt

	At 1.1.00	Cash Flow	At 31.12.00
	£	£	£
Net Cash			
Cash at bank and in hand	21,393	(3,513)	17,880
Bank overdraft and invoice discounting	<u>(867,951)</u>	<u>139,021</u>	<u>(728,930)</u>
	<u>(846,558)</u>	<u>135,508</u>	<u>(711,050)</u>
Debt			
Hire purchase	<u>(73,836)</u>	<u>44,715</u>	<u>(29,121)</u>
	<u>(73,836)</u>	<u>44,715</u>	<u>(29,121)</u>
Total	<u>(920,394)</u>	<u>180,223</u>	<u>(740,171)</u>
Analysed in balance sheet			
Cash at bank and in hand	21,393		17,880
Bank overdraft	(867,951)		(728,930)
Hire purchase			
within one year	(52,071)		(24,501)
after one year	<u>(21,765)</u>		<u>(4,620)</u>
	<u>(920,394)</u>		<u>(740,171)</u>