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**ANOTRIM LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 1999**

Registered no. 1229447



**WENHAM MAJOR**  
**CHARTERED ACCOUNTANTS**  
**BIRMINGHAM**

# **ANOTRIM LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 1999**

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## **COMPANY INFORMATION**

### **DIRECTORS:**

E S Moore (Chairman)  
T S Waterhouse  
A J Mackenzie  
T R Jones  
T Binks

### **SECRETARY:**

T R Jones

### **REGISTERED OFFICE:**

Unit 44  
Blakenhall Industrial Estate  
Moorfield Road  
Wolverhampton  
WV2 4PG

### **AUDITORS:**

Wenham Major  
89 Cornwall Street  
Birmingham  
B3 3BY

### **BANKERS:**

Lloyds Bank plc  
Queens Square  
Wolverhampton  
WV1 1TF

# ANOTRIM LIMITED

## DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 1999

The Directors present their report together with the audited financial statements of the company for the year ended 31st December 1999.

## PRINCIPAL ACTIVITIES

The principal activity of the company continued to be aluminium fabrication and anodisers and timber product manufacturers.

## REVIEW OF BUSINESS

The results for the year and the financial position at the year end were considered satisfactory by the directors.

## RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £254,681. The Directors recommend that the figure of £254,681 be paid as a dividend.

## DIRECTORS' INTERESTS

The directors set out below have held office during the whole of the year to 31st December 1999 unless otherwise stated. None of the Directors had any interest in the shares of the Company throughout the year. Their interest in the shares of the Ultimate Holding Company, Metalrax Group PLC, is:-

Ordinary Shares of 5 pence each						
		1999			1998	
Beneficial holding:	Owned	Under Option	Trustees	Owned	Under Option	Trustees
E S Moore (Chairman)	651,987	19,103	-	622,513	19,103	-
T S Waterhouse	41,069	11,462	-	41,069	11,462	-
A J Mackenzie	392,657	19,103	179,261	382,657	19,103	179,261
T R Jones	145,490	178,103	-	134,829	178,103	-
T Binks	-	11,000	-	-	11,000	-

## DIRECTORS' RESPONSIBILITIES

Company law requires us as 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 period. In preparing those financial statements, we 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 1985. We 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.

# **ANOTRIM LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31ST DECEMBER 1999**

### **YEAR 2000 COMPLIANCE**

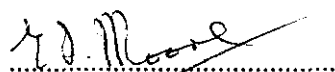
The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers.

At the date of this report, we are not aware of any malfunctions in any computer systems upon which our business is reliant.

### **AUDITORS**

The auditors, Wenham Major, are willing to continue in office.

### **ON BEHALF OF THE BOARD**

A handwritten signature in dark ink, appearing to read 'E S Moore', is written over a horizontal dotted line.

**E S MOORE (CHAIRMAN)- DIRECTOR**

**Date: 8TH MARCH 2000**

## **AUDITORS' REPORT TO THE MEMBERS OF ANOTRIM LIMITED**

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 1, 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 the company's affairs as at 31st December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

.....  
**Wenham Major**  
Chartered Accountants and  
Registered Auditors  
Date: 8th March 2000

89 Cornwall Street  
Birmingham  
B3 3BY

# **ANOTRIM LIMITED**

## **ACCOUNTING POLICIES**

**YEAR ENDED 31ST DECEMBER 1999**

### **BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention.

### **DEPRECIATION**

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Freehold land	Nil
Freehold buildings	2% per annum of cost
Plant and machinery	10% per annum of cost
Fixtures and equipment	10% and 20% per annum of cost
Motor vehicles	25% per annum of cost

Depreciation has been charged on freehold buildings acquired since November 1987.

### **STOCKS AND WORK IN PROGRESS**

Stocks have been valued at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method and consists of material and direct labour costs, together with an appropriate proportion of production overheads.

### **TAXATION**

The charge for taxation is based on the result for the year, at current rates of tax and takes into account full provision for deferred taxation on all timing differences between the treatment of certain items for accounts purposes and their treatment for corporation tax purposes, except for industrial buildings allowances.

### **PENSION COSTS**

The company operates a pension scheme for the benefit of certain employees. The scheme is a defined contribution scheme, and the contributions are charged against profits as they are paid. Certain members of staff and directors are members of the Metalrax Group PLC pension scheme which is a defined benefits scheme.

### **TURNOVER**

The company's turnover represents the value, excluding value added tax, of goods supplied to customers during the year.

### **RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption under FRS 8 not to disclose related party transactions, since the company is a 100% subsidiary of Metalrax Group PLC and whose consolidated financial statements which include the results of Anotrim Limited are available to the general public.

# ANOTRIM LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 1999

	Note	1999 £	1998 £
<b>TURNOVER</b>	1	3,232,725	3,261,571
Cost of sales		<u>(2,464,909)</u>	<u>(2,613,628)</u>
<b>GROSS PROFIT</b>		767,816	647,943
Distribution and selling costs		(180,424)	(209,126)
Administrative expenses		<u>(228,421)</u>	<u>(221,476)</u>
<b>OPERATING PROFIT</b>		358,971	217,341
Profit on disposal of assets		-	4,100
Interest receivable	2	6,605	12,172
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	<u>365,576</u>	<u>233,613</u>
 Taxation	6	<u>(110,895)</u>	<u>(71,152)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		254,681	162,461
 Proposed dividends		<u>(254,681)</u>	<u>(162,461)</u>
<b>RETAINED PROFIT FOR THE YEAR</b>		<u><u>-</u></u>	<u><u>-</u></u>

## NOTES

1. This account relates to continuing operations.
2. Profit after taxation equals total recognised gains and losses for the year.
3. There was no movement in shareholders funds in the year.

# ANOTRIM LIMITED

## BALANCE SHEET

YEAR ENDED 31ST DECEMBER 1999

	Note	1999	1998
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	7	547,365	542,325
<b>CURRENT ASSETS</b>			
Stocks	8	386,699	389,047
Debtors	9	816,044	777,778
Cash at bank and in hand		283,425	167,216
		<u>1,486,168</u>	<u>1,334,041</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	<u>(1,497,683)</u>	<u>(1,337,516)</u>
<b>NET CURRENT (LIABILITIES)</b>		<u>(11,515)</u>	<u>(3,475)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>535,850</u>	<u>538,850</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>			
	11	<u>(21,000)</u>	<u>(24,000)</u>
<b>NET ASSETS</b>		<u>514,850</u>	<u>514,850</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	3,000	3,000
Capital reserves		511,850	511,850
		<u>514,850</u>	<u>514,850</u>

Approved by the Board of Directors and signed on their behalf on 8th March 2000

E S MOORE (CHAIRMAN) - DIRECTOR





# ANOTRIM LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31ST DECEMBER 1999

	1999	1998
	£	£
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES (NOTE 1)</b>	463,274	(85,590)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE (NOTE 2)</b>	(155,856)	(62,849)
<b>TAXATION</b>	(78,695)	(39,052)
<b>CAPITAL EXPENDITURE (NOTE 3)</b>	(79,055)	(28,373)
<b>INCREASE/(DECREASE) IN CASH</b>	<u>149,668</u>	<u>(215,864)</u>
<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS (NOTE 4)</b>		
Increase/(decrease) in cash in the year	<u>149,668</u>	<u>(215,864)</u>
Movement in net funds in year	149,668	(215,864)
Net funds at 31st December 1998	<u>133,757</u>	<u>349,621</u>
<b>NET FUNDS AT 31ST DECEMBER 1999</b>	<u><u>283,425</u></u>	<u><u>133,757</u></u>

# ANOTRIM LIMITED

## NOTES TO THE CASH FLOW STATEMENT

YEAR ENDED 31ST DECEMBER 1999

### 1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	1999	1998
	£	£
Operating profit	358,971	217,341
Depreciation charges	74,015	79,389
Decrease in stocks	2,348	77,823
(Increase) in debtors	(38,266)	(184,216)
Increase/(decrease) in creditors	66,206	(275,927)
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<u><u>463,274</u></u>	<u><u>(85,590)</u></u>

### 2. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

Interest received	6,605	12,172
Dividends paid	(162,461)	(75,021)
	<u><u>(155,856)</u></u>	<u><u>(62,849)</u></u>

### 3. CAPITAL EXPENDITURE

Payments to acquire tangible fixed assets	(81,147)	(32,473)
Receipts from sales of tangible fixed assets	2,092	4,100
	<u><u>(79,055)</u></u>	<u><u>(28,373)</u></u>

### 4. ANALYSIS OF CHANGES IN NET FUNDS

	At 31st December 1998	Cash Flow	At 31st December 1999
	£	£	£
Cash at bank and in hand	167,216	116,209	283,425
Bank overdraft	(33,459)	33,459	-
	<u><u>133,757</u></u>	<u><u>149,668</u></u>	<u><u>283,425</u></u>

# ANOTRIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

### 1. TURNOVER

The turnover and pre-tax results for the year are attributable to the principal activity, that of aluminium fabrication, anodising and hardwood product manufacturing.

	1999 £	1998 £
The analysis of turnover by geographical area is as follows:		
United Kingdom	<u>3,232,725</u>	<u>3,261,571</u>

### 2. INTEREST RECEIVABLE

Bank interest	<u>6,605</u>	<u>12,172</u>
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### 3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:-

Auditors' remuneration and expenses	7,000	7,200
Emoluments of directors (note 5)	113,558	97,887
Depreciation and amortisation of owned assets	<u>74,015</u>	<u>79,389</u>

### 4. STAFF COSTS

The average weekly number of persons employed by the company, including directors, during the year was as follows:

	Number	Number
Management	2	2
Administration	6	6
Production	82	82
	<u>90</u>	<u>90</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	921,725	850,531
Social security	65,899	62,373
Other pension costs	29,817	30,983
	<u>1,017,441</u>	<u>943,887</u>

# ANOTRIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

### 5. DIRECTORS REMUNERATION

	1999	1998
	£	£
Management services	105,550	90,068
Pension contributions	8,008	7,819
	<u>113,558</u>	<u>97,887</u>

Two of the management directors of the company are accruing benefits under the defined benefit group pension scheme (1998: 2)

### 6. TAXATION

	£	£
<b>Current Year:</b>		
Corporation tax at 30.25% (1998: 31%)	114,200	79,000
Deferred tax at 30% (1998: 30%)	(3,000)	(8,000)
<b>Prior Year:</b>		
Corporation tax	(305)	152
	<u>110,895</u>	<u>71,152</u>

### 7. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Plant and Machinery	Fixtures & Equipment	Motor Vehicles	Total
Cost	£	£	£	£	£
At 31st December 1998	402,684	1,286,922	112,974	63,240	1,865,820
Additions	1,510	62,148	2,182	15,307	81,147
Disposals	-	-	-	(11,160)	(11,160)
At 31st December 1999	<u>404,194</u>	<u>1,349,070</u>	<u>115,156</u>	<u>67,387</u>	<u>1,935,807</u>
<b>Depreciation</b>					
At 31st December 1998	82,186	1,127,050	90,026	24,233	1,323,495
Charge for the year	8,066	42,018	7,075	16,856	74,015
Eliminated on disposal	-	-	-	(9,068)	(9,068)
At 31st December 1999	<u>90,252</u>	<u>1,169,068</u>	<u>97,101</u>	<u>32,021</u>	<u>1,388,442</u>
<b>Net book value</b>					
At 31st December 1999	<u>313,942</u>	<u>180,002</u>	<u>18,055</u>	<u>35,366</u>	<u>547,365</u>
At 31st December 1998	<u>320,498</u>	<u>159,872</u>	<u>22,948</u>	<u>39,007</u>	<u>542,325</u>

# ANOTRIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

### 8. STOCKS

	1999	1998
	£	£
Raw materials and consumables	215,216	204,177
Work in progress	122,612	148,267
Finished goods	48,871	36,603
	<u>386,699</u>	<u>389,047</u>

### 9. DEBTORS: AMOUNTS DUE WITHIN ONE YEAR

Trade debtors	797,504	762,998
Prepayments and accrued income	18,540	14,780
	<u>816,044</u>	<u>777,778</u>

### 10. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

Bank overdraft	-	33,459
Trade creditors	324,543	203,376
Amounts owed to holding company	658,360	708,060
Corporation tax	114,200	79,000
Other tax and social security	101,194	101,705
Accruals and deferred income	44,705	49,455
Proposed dividends	254,681	162,461
	<u>1,497,683</u>	<u>1,337,516</u>

### 11. PROVISIONS FOR LIABILITIES AND CHARGES

	1999	1999	1998	1998
	Amount	Total	Amount	Total
	Provided	Potential	Provided	Potential
	£	£	£	£
Tax effect of timing differences arising on excess of tax allowances over depreciation	<u>21,000</u>	<u>45,000</u>	<u>24,000</u>	<u>48,000</u>

It is the Company's policy to provide in full for deferred taxation calculated under the liability method at 30% (1998: 30%) on all timing differences with the exception of industrial buildings allowances and capital gains against which roll-over relief has been claimed.

# ANOTRIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

### 12. SHARE CAPITAL

	1999	1998
	£	£
<b>Authorised:</b>		
Ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>
<b>Issued and fully paid:</b>		
Ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>

### 13. CAPITAL COMMITMENTS

Commitments for capital expenditure at the end of the year were as follows:

Authorised and contracted for	<u>Nil</u>	<u>Nil</u>
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### 14. PENSION COSTS

The company operates a contributory pension scheme. It is a defined contribution scheme, the funds of which are administered independently of the Company's finances. The charge for the year amounted to £2,493 (1998: £2,454). Certain members of staff and Directors are members of the Ultimate Holding Company's pension scheme, full details of which are given in that Company's financial statements. Payments to this scheme in the year amounted to £27,324 (1998: £28,529)

### 15. HOLDING COMPANY & CONTROLLING PARTY

The Ultimate Holding Company is Metalrax Group PLC, a company registered in England and Wales.