

Expamet International Limited
Annual report
for the year ended 31 December 2007

Registered number 152305



Expamet International Limited
Annual report
for the year ended 31 December 2007
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Expamet International Limited

Directors' report for the year ended 31 December 2007

The directors present their report and the audited financial statements of the company for the year ended 31 December 2007

Principal activity

The principal activity of the company is the management of its subsidiaries

Review of business and future developments

Expamet International Limited is an investment holding company. During the year Expamet International Limited's subsidiary Hartlepool Manufacturing Limited (formerly Expamet Building Products Limited) disposed of its trading businesses.

The company is continuing with its wind-down strategy.

Results and dividends

The company's profit for the financial year is £11,739,000 (2006 £5,877,000). The directors have paid interim dividends of £14,000,000 (approximately 22 pence per share) in respect of the year ended 31 December 2007. No final dividend is recommended (2006 £nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

A Maynard
A Thompson

Donations

During the year, the company made no charitable donations (2006 £1,000). No political donations were made during the year (2006 £nil).

Expamet International Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

Statement of disclosure of information to auditors

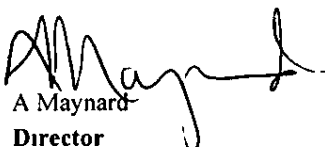
So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware.

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the directors duly to exercise due care, skill and diligence) that he ought to have taken in his duty as director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

Elective resolutions have been passed to dispense with obligations to appoint auditors annually. PricewaterhouseCoopers LLP served as independent auditors during the year.

On behalf of the board


A Maynard
Director

15 May 2008

Expamet International Limited

Independent auditors' report to the members of Expamet International Limited

We have audited the financial statements of Expamet International Limited for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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

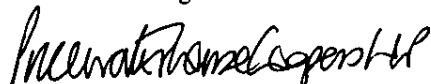
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Newcastle upon Tyne

15 May 2008

Expamet International Limited

Profit and loss account for the year ended 31 December 2007

	Note	2007 £'000	2006 £'000
Administrative expenses		(434)	(1,167)
Operating loss	1	(434)	(1,167)
Income from fixed asset investments		16,178	-
Amount written off fixed asset investments		(3,100)	-
Loss on the sale of tangible fixed assets	14	(63)	-
(Disposal costs)/profit on sale of subsidiaries	15	(656)	7,096
Profit on ordinary activities before interest and taxation		11,925	5,929
Interest receivable and similar income	3	272	103
Interest payable and similar charges	3	(10)	(61)
Profit on ordinary activities before taxation		12,187	5,971
Tax on profit on ordinary activities	4	(448)	(94)
Profit for the financial year		11,739	5,877
Dividends	5	(14,000)	-
Retained (loss)/profit for the financial year	12	(2,261)	5,877

All of the above relate entirely to continuing operations

The company has no recognised gains or losses other than the (loss)/profit above and therefore no separate statement of total recognised gains or losses has been presented

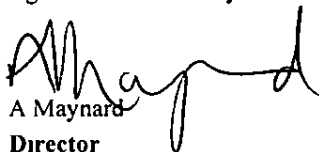
There are no material differences between the profit on ordinary activities before taxation and the retained (loss)/profit for the financial year stated above and their historical cost equivalents

Expamet International Limited

Balance sheet as at 31 December 2007

	Note	2007	2006
		£'000	£'000
Fixed assets			
Tangible assets	6	-	3,700
Investments	7	12,164	15,264
		12,164	18,964
Current assets			
Debtors	8	37,923	42,012
Cash at bank and in hand		6,650	1,500
		44,573	43,512
Creditors - amounts falling due within one year			
Other creditors	9	(7,187)	(10,383)
Loans and other borrowings	10	(664)	(946)
Net current assets		36,722	32,183
Total assets less current liabilities		48,886	51,147
Net assets		48,886	51,147
Capital and reserves			
Called up equity share capital	11	16,036	16,036
Share premium account	12	623	623
Profit and loss account	12	32,227	34,488
Total shareholder's funds	13	48,886	51,147

The financial statements on pages 4 to 13 were approved by the board of directors on 15 May 2008 and were signed on its behalf by


A Maynard
Director

Expamet International Limited

Statement of accounting policies

As disclosed in the directors' report, the company is continuing with its wind down strategy. The financial statements have not been prepared on a going concern basis but instead have been prepared on a cessation basis. Adjustments have been made in the financial statements to reduce assets to their estimated realisable values and to provide for liabilities arising from the decision to wind down the company. The financial statements are prepared in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Consolidated accounts

These financial statements present information about the company as an individual undertaking and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it is included by full consolidation in the consolidated financial statements of its ultimate parent, Clifton House Acquisition Limited, a company registered in England and Wales.

Foreign currency

Transactions in foreign currencies during the year are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities expressed in foreign currency are translated into sterling at rates ruling at the year end and translation differences are dealt with in the profit and loss account, except for those assets and liabilities covered by forward currency contracts where the contracted rate is used.

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated so as to write off the cost of tangible fixed assets over their expected useful lives. Plant and equipment is depreciated over a period between 3 and 20 years. Land and buildings have not been depreciated since they are held for resale and have been disposed of during the year.

Leased assets

Operating lease rentals are charged to the profit and loss account as they fall due.

Pensions

The company participates in the Expamet International Limited Group Pension Plan. This is a money purchase type plan and costs are charged as incurred.

Cash flow statement and related party disclosures

The company is a wholly owned subsidiary of Clifton House Acquisition Limited and is included in the consolidated financial statements of Clifton House Acquisition Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Clifton House Acquisition Limited group or investees of the Clifton House Acquisition Limited group.

Investments

Investments held as fixed assets are stated at cost plus incidental expenses less provision for impairment. The directors perform impairment reviews annually.

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Notes to the financial statements for the year ended 31 December 2007

1 Operating loss

The operating loss is stated after charging

	2007	2006
	£'000	£'000
Depreciation of tangible fixed assets	-	38
Operating lease charges		
- other than plant and machinery	-	37
Auditors' remuneration		
- audit services - company	2	2
- audit services - associated companies	5	27
- non-audit services - taxation	1	5
- non-audit services - other	-	23

2 Staff costs and directors' emoluments

	2007	2006
	£'000	£'000
Staff costs		
Wages and salaries	124	236
Social security costs	16	21
Pension costs (note 16)	4	4
	144	261

The average monthly number of persons employed by the company during the year was as follows

	2007	2006
By activity	Number	Number
Administration	2	3

Aggregate directors' emoluments were £nil (2006 £nil)

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3 Net interest receivable

Interest receivable and similar income

	2007	2006
	£'000	£'000
Interest receivable on bank and treasury deposits	272	103

Interest payable and similar charges

	2007	2006
	£'000	£'000
Interest payable on bank loans and overdrafts	10	61

4 Tax on profit on ordinary activities

(a) Analysis of tax charge for the year

	2007	2006
	£'000	£'000
Current tax		
United Kingdom corporation tax on profits	448	135
Adjustments in respect of previous years	-	(41)
Tax on profits on ordinary activities	448	94

(b) Factors affecting tax charge for the year

The tax assessed for the year is lower (2006 lower) than the standard rate of corporation tax in the UK. The differences are explained below

	2007	2006
	£'000	£'000
Profit on ordinary activities before tax	12,187	5,971
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006 30%)	3,656	1,791
<i>Effects of</i>		
Accelerated capital allowances and other timing differences	-	(14)
Expenses not deductible for tax purposes	(19)	(26)
Permanent differences -- profit on disposal of subsidiaries and investment write down	197	(2,128)
Other permanent differences	(3,386)	512
Adjustments in respect of previous years	-	(41)
Current tax charge for year	448	94

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Other permanent differences arise principally from dividends received from subsidiary undertakings, write-downs to fixed asset investments, and transfer pricing adjustments

(c) Factors that may affect future tax charges

There are no factors that are expected to significantly affect the taxation charge in future years

5 Dividends

	2007	2006
	£'000	£'000
Interim dividend paid £0 22 (2006 £nil) per £0 25 share	14,000	-

6 Tangible fixed assets

	Land and buildings	Plant and equipment	Total
	£'000	£'000	£'000
Cost			
At 1 January 2007	3,700	10	3,710
Additions	-	-	-
Disposals	(3,700)	(10)	(3,710)
At 31 December 2007	-	-	-
Accumulated depreciation			
At 1 January 2007	-	10	10
Charge for the year	-	-	-
Disposals	-	(10)	(10)
At 31 December 2007	-	-	-
Net book amount			
At 31 December 2007	-	-	-
At 31 December 2006	3,700	-	3,700

The freehold land and buildings of £3,700,000 were held for resale and therefore were not being depreciated

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7 Investments

Fixed asset investments

Cost	£'000
At 1 January 2007 and 31 December 2007	21,593
Impairment at 1 January 2007	(6,329)
Impairment of investment in Cwmbran Manufacturing Limited	(3,100)
Impairment at 31 December 2007	(9,429)
Net book amount	
At 31 December 2007	12,164
At 31 December 2006	15,264

The directors believe that the book value of the investments is not less than the value of the underlying net assets

Details of the company's remaining interests in its principal subsidiary undertakings are as follows

Subsidiary undertakings	Principal activities	Country of incorporation
Hartlepool Manufacturing Limited (formerly Expamet Building Products Limited)	Non-trading	United Kingdom
Cwmbran Manufacturing Limited	Non-trading	United Kingdom
Finglas Manufacturing Limited	Non-trading	The Republic of Ireland

Cwmbran Manufacturing Limited and Hartlepool Manufacturing Limited (formerly Expamet Building Products Limited) are directly owned. Finglas Manufacturing Limited is a subsidiary of Cwmbran Manufacturing Limited. 100% of the share capital and voting rights are held by the group.

8 Debtors

	2007	2006
	£'000	£'000
Other debtors	168	-
Other taxation and social security costs	16	16
Prepayments and accrued income	-	92
Amounts owed by group undertakings	37,739	41,904
	37,923	42,012

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment

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9 Creditors: amounts falling due within one year - other creditors

	2007	2006
	£'000	£'000
Trade creditors	-	30
Amounts owed to group undertakings	7,042	10,027
Accruals	145	326
	7,187	10,383

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

10 Creditors: amounts falling due within one year - loans and other borrowings

	2007	2006
	£'000	£'000
Bank overdrafts	664	946
Maturity of debt		
In one year or less, or on demand	664	946

At 31 December 2007 bank loans and overdrafts totalling £664,000 (2006 £946,000) were secured by fixed charges over certain bank deposits. Overdrafts are set-off against cash balances of other group companies. Where there is insufficient cash to offset the overdraft, interest is charged on the net balance at 1% above LIBOR.

11 Called up equity share capital

	2007	2006
	£'000	£'000
Authorised		
85,600,000 ordinary shares of £0.25 each (2006 85,600,000)	21,400	21,400
Allotted and fully paid		
64,144,071 ordinary shares of £0.25 each (2006 64,144,071)	16,036	16,036

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12 Reserves

	Share premium account	Profit and loss account
	£'000	£'000
At 1 January 2007	623	34,488
Retained loss for the financial year	-	(2,261)
At 31 December 2007	623	32,227

13 Reconciliation of movement in shareholder's funds

	2007	2006
	£'000	£'000
(Loss)/profit for the year	(2,261)	5,877
Opening shareholder's funds	51,147	45,270
Closing shareholder's funds	48,886	51,147

14 Loss on the sale of fixed assets

The loss on the sale of fixed assets relates to the sale of the freehold property

15 Disposal costs

	2007
	£'000
Settlement of Cwmbran Manufacturing disposal warranties	96
Irrecoverable value added tax on previous disposals	221
Completion bonuses	339
Total disposal costs	656

16 Pension costs

The company operates a defined contribution scheme in the UK. Contributions paid during the year were £4,000 (2006 £4,000). At 31 December 2007, an amount of £nil (2006 £nil) was accrued.

17 Subsequent events

On 11 January 2008 the subsidiary companies Hartlepool Manufacturing Limited (formerly Expamet Building Products Limited) and Cwmbran Manufacturing Limited were placed in members' voluntary liquidation.

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18 Ultimate parent undertaking and controlling party

The ultimate parent undertaking and controlling party is Clifton House Acquisition Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Clifton House Acquisition Limited consolidated financial statements can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.