

REGISTRAR

**WEBSTER & HORSFALL LIMITED
ABBREVIATED ACCOUNTS
FOR
31 DECEMBER 2006**



WENHAM MAJOR LIMITED

Registered Auditors
89 Cornwall Street
Birmingham
B3 3BY

WEBSTER & HORSFALL LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2006

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WEBSTER & HORSFALL LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2006

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2006

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of manufacture of wire from steel rods and stockists of machinery, strip metal and additional wire products

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

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £127,867 Particulars of dividends paid are detailed in note 6 to the financial statements

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Such information is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company

DIRECTORS

The directors who served the company during the year were as follows

Mr PJC Robinson

Mr CAC Horsfall

Mr GHGC Horsfall

Col JHC Horsfall (Deceased 18 December 2006)

Mr JMC Horsfall

Mr BP Knox-Peebles

Mr WI Lawne

Mr CW Bragg (Deceased 9 February 2006)

RETIREMENT OF DIRECTORS

The following directors are to retire from the board in accordance with the Articles of Association and, being eligible, offer themselves for re-appointment

Mr JMC Horsfall

Mr PJC Robinson

FIXED ASSETS

The directors are of the opinion that the market value of the properties at the year end would significantly exceed the net book values included in the financial statements, but they are unable to quantify this excess in the absence of a professional valuation, the costs of which are not considered justifiable in view of the company's intention to retain its existing properties for use in its business for the foreseeable future

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 these 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 company will continue in business

WEBSTER & HORSFALL LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2006

DIRECTORS' RESPONSIBILITIES *(continued)*

The directors are responsible for keeping proper accounting records that 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 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.

In so far as the directors are aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

CLOSE COMPANY PROVISIONS

In the opinion of the directors, the company is a close company within the meaning of S 414 Income and Corporation Taxes Act, 1988 (as amended).

DONATIONS

During the year the company made the following contributions

	2006	2005
	£	£
Charitable	<u>100</u>	<u>36</u>

AUDITOR

The auditors changed their name to Wenham Major Limited on the 8 February 2007 and accordingly have signed the audit report using their new name.

A resolution to re-appoint Wenham Major Limited as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office
The Fordrough
Hay Mills
Birmingham
B25 8DW

Signed on behalf of the directors



CAC Horsfall
Director

Approved by the directors on 26 June 2007

WEBSTER & HORSFALL LIMITED

INDEPENDENT AUDITOR'S REPORT TO WEBSTER & HORSFALL LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of Webster & Horsfall Limited for the year ended 31 December 2006 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

89 Cornwall Street
Birmingham
B3 3BY

Wenham Major Limited

WENHAM MAJOR LIMITED

Registered Auditors
26 June 2007

WEBSTER & HORSFALL LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2006

	Note	2006 £	2005 £
GROSS PROFIT		1,895,037	2,131,201
Distribution costs		3,422	6,547
Administrative expenses		1,873,224	1,931,524
Other operating income		(121,666)	(134,526)
OPERATING PROFIT	1	140,057	327,656
Income from participating interests	4	14,409	4,117
Interest receivable		3,229	1,361
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		157,695	333,134
Tax on profit on ordinary activities	5	29,828	70,944
PROFIT FOR THE FINANCIAL YEAR		127,867	262,190

All of the activities of the company are classed as continuing

The accounting policies and notes on pages 8 to 15 form part of these abbreviated accounts.

WEBSTER & HORSFALL LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	7	160,279	154,340
Investments	8	33,341	13,341
		<u>193,620</u>	<u>167,681</u>
CURRENT ASSETS			
Stocks	9	1,428,052	1,613,841
Debtors	10	2,197,761	2,032,824
Cash at bank and in hand		481,965	212,997
		<u>4,107,778</u>	<u>3,859,662</u>
CREDITORS: Amounts falling due within one year	12	<u>1,164,215</u>	<u>889,624</u>
NET CURRENT ASSETS		<u>2,943,563</u>	<u>2,970,038</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,137,183</u>	<u>3,137,719</u>
CAPITAL AND RESERVES			
Called-up equity share capital	15	233,461	233,461
Other reserves	16	336,888	336,888
Profit and loss account	17	2,566,834	2,567,370
SHAREHOLDERS' FUNDS		<u>3,137,183</u>	<u>3,137,719</u>


These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on the 26 June 2007 and are signed on their behalf by

PJC ROBINSON
Director



CAC HORSFALL
Director



The accounting policies and notes on pages 8 to 15 form part of these abbreviated accounts.

WEBSTER & HORSFALL LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2006

	2006	2005
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	470,163	436,444
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Income from participating interests	14,409	4,117
Interest received	3,229	1,361
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	17,638	5,478
TAXATION	(16,328)	(17,944)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Payments to acquire tangible fixed assets	(65,050)	(76,744)
Receipts from sale of fixed assets	10,948	7,500
Acquisition of investments	(20,000)	-
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	(74,102)	(69,244)
EQUITY DIVIDENDS PAID	(128,403)	(163,422)
INCREASE IN CASH	<u>268,968</u>	<u>191,312</u>

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006	2005
	£	£
Operating profit	140,057	327,656
Depreciation	49,663	38,005
Profit on disposal of fixed assets	(1,500)	(2,260)
Decrease/(increase) in stocks	185,789	(73,224)
(Increase)/decrease in debtors	(196,437)	188,112
Increase/(decrease) in creditors	292,591	(41,845)
Net cash inflow from operating activities	<u>470,163</u>	<u>436,444</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2006	2005
	£	£
Increase in cash in the period	<u>268,968</u>	<u>191,312</u>
Change in net funds	268,968	191,312
Net funds at 1 January 2006	212,997	21,686
Net funds at 31 December 2006	<u>481,965</u>	<u>212,997</u>

The accounting policies and notes on pages 8 to 15 form part of these abbreviated accounts

WEBSTER & HORSFALL LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 DECEMBER 2006

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2006 £	Cash flows £	At 31 Dec 2006 £
Net cash			
Cash in hand and at bank	212,997	268,968	481,965
Net funds	<u>212,997</u>	<u>268,968</u>	<u>481,965</u>

The accounting policies and notes on pages 8 to 15 form part of these abbreviated accounts.

WEBSTER & HORSFALL LIMITED

ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2006

Basis of accounting

The financial statements have been prepared under the historical cost convention

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	-	2.5% straight line per annum
Plant & Machinery	-	10% straight line per annum
Fixtures & Fittings	-	20% straight line per annum
Motor Vehicles	-	25% straight line per annum

Stocks

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

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

Taxation

UK Corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted by the balance sheet date

WEBSTER & HORSFALL LIMITED

ACCOUNTING POLICIES *(continued)*

YEAR ENDED 31 DECEMBER 2006

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Grants

Government and other grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account as other operating income, over the estimated useful life of the assets to which they relate

Government and other grants in respect of non-capital expenditure are credited to the profit and loss account as other operating income in the period in which the expenditure was incurred

WEBSTER & HORSFALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2006

1. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2006	2005
	£	£
Depreciation of owned fixed assets	49,663	38,005
Profit on disposal of fixed assets	(1,500)	(2,260)
Auditor's remuneration		
- as auditor	17,176	15,594
- for other services	7,176	5,906
Operating lease costs		
Plant and equipment	7,163	6,620
Net profit on foreign currency translation	<u>(3,234)</u>	<u>(2,005)</u>

2. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2006	2005
	No	No
Production	63	66
Distribution	12	12
Administrative	16	19
	<u>91</u>	<u>97</u>

The aggregate payroll costs of the above were

	2006	2005
	£	£
Wages and salaries	1,928,928	1,989,512
Social security costs	188,592	198,973
Staff pension contributions	108,521	104,435
Other pension costs	167	2,000
	<u>2,226,208</u>	<u>2,294,920</u>

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	2006	2005
	£	£
Emoluments receivable	158,727	179,643
Value of company pension contributions to money purchase schemes	12,000	13,039
	<u>170,727</u>	<u>192,682</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2006	2005
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

WEBSTER & HORSFALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2006

4. INCOME FROM PARTICIPATING INTERESTS

	2006 £	2005 £
Income from participating interests	<u>14,409</u>	<u>4,117</u>

5. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2006 £	2005 £
Current tax		
UK Corporation tax based on the results for the year at 19% (2005 - 19%)	-	18,000
Over/under provision in prior year	<u>(1,672)</u>	<u>(56)</u>
Total current tax	<u>(1,672)</u>	<u>17,944</u>
Deferred tax		
Origination and reversal of timing differences	<u>31,500</u>	<u>53,000</u>
Tax on profit on ordinary activities	<u>29,828</u>	<u>70,944</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2005 - 19%)

	2006 £	2005 £
Profit on ordinary activities before taxation	<u>157,695</u>	<u>333,134</u>
Profit on ord actvs by standard rate of tax	29,962	63,295
Expenses not deductible for tax purposes	595	2,719
Capital allowances for period in excess of depreciation	(3,602)	(8,446)
Utilisation of tax losses	<u>(26,955)</u>	<u>(41,241)</u>
Adjustment to tax charge in respect of previous periods	(1,672)	(56)
Rounding of current year tax provision	-	1,673
Total current tax (note 5(a))	<u>(1,672)</u>	<u>17,944</u>

(c) Factors that may affect future tax charges

There are carried forward tax losses of approximately £418,745 (2005 £551,184)

6. DIVIDENDS

Equity dividends

	2006 £	2005 £
Paid		
Equity dividends on ordinary shares	<u>128,403</u>	<u>163,422</u>
Proposed after the year end		
Equity dividends on ordinary shares	<u>-</u>	<u>81,711</u>

WEBSTER & HORSFALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2006

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 1 January 2006	115,536	1,347,293	535,773	525,794	2,524,396
Additions	-	-	21,725	43,325	65,050
Disposals	-	(63,803)	(95,991)	(123,069)	(282,863)
At 31 December 2006	115,536	1,283,490	461,507	446,050	2,306,583
DEPRECIATION					
At 1 January 2006	94,529	1,296,634	509,889	469,004	2,370,056
Charge for the year	-	7,792	16,524	25,347	49,663
On disposals	-	(63,804)	(95,991)	(113,620)	(273,415)
At 31 December 2006	94,529	1,240,622	430,422	380,731	2,146,304
NET BOOK VALUE					
At 31 December 2006	21,007	42,868	31,085	65,319	160,279
At 31 December 2005	21,007	50,659	25,884	56,790	154,340

The cost of depreciable assets included in land and buildings at the year end is £94,529

Capital commitments

	2006 £	2005 £
Contracted but not provided for in the financial statements	104,000	-

8. INVESTMENTS

	Reddiwire Limited £	Latch and Batchelor Limited £	Mills and Driver Limited £	Total £
COST				
At 1 January 2006	1	13,340	-	13,341
Additions	-	-	20,000	20,000
At 31 December 2006	1	13,340	20,000	33,341
NET BOOK VALUE				
At 31 December 2006	1	13,340	20,000	33,341
At 31 December 2005	1	13,340	-	13,341

WEBSTER & HORSFALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2006

8. INVESTMENTS *(continued)*

The company owns 42.9% of the issued share capital of Latch & Bachelor Limited, a company incorporated in England and Wales. The company manufactures and factors steel wire rope.

The company owns 100% of the issued share capital of Reddiwire Limited, a company incorporated in England and Wales. Reddiwire Limited has been dormant throughout the current accounting period.

The company owns 100% of the issued share capital of Mills and Driver Limited, a company incorporated in England and Wales. The company manufactures springs.

	2006 £	2005 £
Aggregate capital and reserves		
Latch & Bachelor Limited	562,591	447,765
Reddiwire Limited	-	-
Mills and Driver Limited	n/a	(50,084)
Profit and (loss) for the year		
Latch & Bachelor Limited	129,219	(16,053)
Reddiwire Limited	-	-
Mills and Driver Limited	n/a	(45,655)

9. STOCKS

	2006 £	2005 £
Raw materials	298,589	296,400
Work in progress	322,759	327,356
Finished goods	806,704	990,085
	<u>1,428,052</u>	<u>1,613,841</u>

10. DEBTORS

	2006 £	2005 £
Trade debtors	1,770,882	1,570,064
Amounts owed by undertakings in which the company has a participating interest	285,528	307,986
Prepayments and accrued income	58,851	40,774
Deferred taxation (note 11)	82,500	114,000
	<u>2,197,761</u>	<u>2,032,824</u>

11. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows

	2006 £	2005 £
Included in debtors (note 10)	<u>82,500</u>	<u>114,000</u>

The movement in the deferred taxation account during the year was

	2006 £	2005 £
Balance brought forward	114,000	167,000
Profit and loss account movement arising during the year	<u>(31,500)</u>	<u>(53,000)</u>
Balance carried forward	<u>82,500</u>	<u>114,000</u>

WEBSTER & HORSFALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2006

11. DEFERRED TAXATION *(continued)*

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2006	2005
	£	£
Excess of taxation allowances over depreciation on fixed assets	2,500	9,000
Tax losses available	80,000	105,000
	<u>82,500</u>	<u>114,000</u>

12. CREDITORS: Amounts falling due within one year

	2006	2005
	£	£
Trade creditors	767,444	548,662
Corporation tax	-	18,000
Other taxation and social security	179,399	170,546
Accruals and deferred income	217,372	152,416
	<u>1,164,215</u>	<u>889,624</u>

13. PENSIONS

The company operates a defined contribution pension scheme. The funds of the scheme are administered by Trustees and are separate from the company. The company's contribution for the year was £108,688 (2005 £106,646).

14. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as set out below

	Assets Other Than Land & Buildings	
	2006	2005
	£	£
Operating leases which expire		
Within 1 year	-	3,911
Within 2 to 5 years	936	1,768
	<u>936</u>	<u>5,679</u>

WEBSTER & HORSFALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2006

15 SHARE CAPITAL

Authorised share capital:

	2006	2005
	£	£
97,982 Ordinary 'A' shares of £1 each	97,982	97,982
135,479 Ordinary 'B' shares of £1 each	135,479	135,479
	<u>233,461</u>	<u>233,461</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary 'A' shares of £1 each	97,982	97,982	97,982	97,982
Ordinary 'B' shares of £1 each	135,479	135,479	135,479	135,479
	<u>233,461</u>	<u>233,461</u>	<u>233,461</u>	<u>233,461</u>

16 OTHER RESERVES

	2006	2005
	£	£
Capital redemption reserve	161,539	161,539
Plant replacement reserve balance brought forward	31,000	31,000
Capital reserve balance brought forward	144,349	144,349
	<u>336,888</u>	<u>336,888</u>

17. PROFIT AND LOSS ACCOUNT

	2006	2005
	£	£
Balance brought forward as previously reported	2,567,370	2,375,219
Prior year adjustment	-	93,383
Balance brought forward restated	2,567,370	2,468,602
Profit for the financial year	127,867	262,190
Equity dividends paid	(128,403)	(163,422)
Balance carried forward	<u>2,566,834</u>	<u>2,567,370</u>