

Registered number: 00050918

**UNITED CAST BAR (UK) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2015**

TUESDAY



\*A52SUU0Z\*

A06

15/03/2016

#9

COMPANIES HOUSE

**UNITED CAST BAR (UK) LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

Mr Y M J M Mohsen  
Mr P R Moore  
Mr J Brand  
Mr A Rottach  
Mr A M Rodger (resigned 8 January 2016)  
Mr J P Cripps (appointed 1 August 2015)  
Mr M Penman (appointed 9 February 2016)

**REGISTERED NUMBER**

00050918

**REGISTERED OFFICE**

Spital Lane  
Chesterfield  
Derbyshire  
S41 0EX

**INDEPENDENT AUDITOR**

Grant Thornton UK LLP  
Chartered Accountants and Registered Auditor  
Colmore Plaza  
20 Colmore Circus  
Birmingham  
B4 6AT

# **UNITED CAST BAR (UK) LIMITED**

## **CONTENTS**

	Page
<b>Strategic report</b>	1 - 2
<b>Directors' report</b>	3 - 4
<b>Independent auditor's report</b>	5 - 6
<b>Profit and loss account</b>	7
<b>Balance sheet</b>	8
<b>Notes to the financial statements</b>	9 - 19
The following pages do not form part of the statutory financial statements:	
<b>Detailed profit and loss account and summaries</b>	19

## **UNITED CAST BAR (UK) LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015**

#### **INTRODUCTION**

The Company (United Cast Bar (UK) Limited) is a wholly-owned subsidiary of BI Group Plc ("BI Group") and operates as part of United Cast Bar Group of companies, the metals division of BI Group.

#### **BUSINESS REVIEW**

The Company's principal activities are the manufacture and distribution of continuous cast iron bar to the hydraulics and automotive industries primarily in the United Kingdom, Europe, United States of America and Asia. It also acts as a holding company for subsidiaries which are cast iron bar stockholders and distributors. There have not been any significant changes in the Company's principal activities in the year under review. The Directors are not, at the date of this report, aware of any likely major changes in the Company's activities in the next year.

The metals division, of which the Company is a part, invests in research and development activities appropriate to the nature and size of its operations with the aim of supporting the future development of the Company, as a part of the division, in the medium to long-term future. This research and development activity has resulted in a number of updates to existing products.

As shown in the Company's profit and loss account, the Company's turnover has decreased by 11% over the previous year. This decrease was due mainly to sales price reductions as a result of both lower raw material prices and adverse exchange rate conditions during the year. A loss before tax of £300k has been achieved compared to a profit in £1.1m in the previous year.

The balance sheet of the financial statements shows the Company's financial position at the year end.

There have been no significant events since the balance sheet date which should be considered for a proper understanding of these financial statements.

United Cast Bar Group manages its operations on a divisional basis. For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business.

## **UNITED CAST BAR (UK) LIMITED**

### **STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2015**

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

Competitive pressure in Europe and from China is a continuing risk for the Company, which could result in it losing sales to its key competitors. To manage this risk, the Company strives to provide added-value products and services to its customers; prompt response times in the supply of products and services and in the handling of customer queries to maintain strong relationships with customers.

The Company sells products into international markets and it is therefore exposed to currency movements on such sales. Where appropriate, the Company manages this risk with forward foreign exchange contracts in line with BI Group's treasury policies.

The Company's business may be affected by fluctuations in the price and supply of key raw materials, although purchasing policies and practices seek to mitigate, where practicable, such risks.

The Company is a member of BI Group's multi-employer UK defined benefit pension plan, which is currently in deficit. The funding level of this pension plan is subject to change resulting from movements in the actuarial assumptions underlying the calculation of plan liabilities, including changes in discount rates and increasing longevity of plan members, as well as changes in the market value of plan investments. The UK pension plan ceased to accrue future benefits to members with effect from 31 March 2004 and deficit-reduction contributions are being made under the terms of a repayment schedule agreed with the plan Trustee. Currently such contributions are met by BI Group plc on behalf of the Company. Significant changes in the actuarial assumptions underlying the UK plan valuation and the Company's share of any deficit-reduction contributions made into the plan could materially impact the Company's trading results.

The Group risks to which the Company is exposed are discussed in the Annual Report of the ultimate parent company, National Industries Group Holding - KPSC, which does not form part of this Report.

#### **FINANCIAL KEY PERFORMANCE INDICATORS**

The directors consider gross margin and revenue growth to be the principal key performance indicators for the business.

This report was approved by the board on 25 February 2016 and signed on its behalf.



**Mr M Penman**  
Director

## **UNITED CAST BAR (UK) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015**

The directors present their report and the financial statements for the year ended 30 November 2015.

#### **DIRECTORS**

The directors who served during the year were:

Mr Y M J M Mohsen  
Mr P R Moore  
Mr J Brand  
Mr A Rottach  
Mr A M Rodger (resigned 8 January 2016)  
Mr J P Cripps (appointed 1 August 2015)

#### **RESULTS**

The loss for the year, after taxation, amounted to £298,890 (2014 - profit £1,073,912).

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic report, 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 judgments and accounting 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.

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.

#### **ENVIRONMENTAL MATTERS**

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to mitigate any adverse impact that might be caused by its activities. Initiatives aimed at minimising the Company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy consumption.

## **UNITED CAST BAR (UK) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015**

#### **EMPLOYEE INVOLVEMENT**

Applications for employment by disabled persons are considered fully, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

The Company participates in policies and practices to keep employees informed on matters relevant to them as employees through appropriate means, such as employee meetings and newsletters.

#### **DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **AUDITOR**

The auditor, Grant Thornton UK LLP, is deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 28 February 2013.

This report was approved by the board on 25 February 2016 and signed on its behalf.



**Mr M Penman**  
Director

Spital Lane  
Chesterfield  
Derbyshire  
S41 0EX

## **UNITED CAST BAR (UK) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNITED CAST BAR (UK) LIMITED**

We have audited the financial statements of United Cast Bar (UK) Limited for the year ended 30 November 2015, which comprise the profit and loss account, the balance sheet and the related notes. 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 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 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 AUDITOR**

As explained more fully in the Directors' responsibilities statement set out on page 3, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 30 November 2015 and of its loss 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



**UNITED CAST BAR (UK) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNITED CAST BAR (UK) 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.

*Grant Thornton UK LLP*

Kathryn Godfree (Senior statutory auditor)

for and on behalf of

**Grant Thornton UK LLP**

Statutory Auditor, Chartered Accountants

Birmingham

25 February 2016

**UNITED CAST BAR (UK) LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 NOVEMBER 2015**

	Note	2015 £	2014 £
<b>TURNOVER</b>	1,2	<b>23,224,626</b>	26,114,041
Cost of sales		<u>(21,060,962)</u>	<u>(22,251,314)</u>
<b>GROSS PROFIT</b>		<b>2,163,664</b>	3,862,727
Distribution costs		<u>(1,900,291)</u>	<u>(1,769,873)</u>
Administrative expenses		<u>(782,726)</u>	<u>(973,753)</u>
Exceptional administrative expenses	9	<u>(36,344)</u>	-
Total administrative expenses		<u>(819,070)</u>	<u>(973,753)</u>
Other operating income	3	<u>294,378</u>	-
<b>OPERATING (LOSS)/PROFIT</b>	4	<b>(261,319)</b>	1,119,101
Interest receivable and similar income	7	-	2,551
Interest payable and similar charges	8	<u>(37,571)</u>	<u>(47,740)</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(298,890)</b>	1,073,912
Tax on (loss)/profit on ordinary activities	10	<u>-</u>	<u>-</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	20	<b><u>(298,890)</u></b>	<b><u>1,073,912</u></b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 9 to 19 form part of these financial statements.

**UNITED CAST BAR (UK) LIMITED**  
**REGISTERED NUMBER: 00050918**

**BALANCE SHEET**  
**AS AT 30 NOVEMBER 2015**

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Intangible assets	12		435,877		491,041
Tangible assets	13		3,695,655		3,976,767
Investments	14		5,862,387		5,862,387
			<u>9,993,919</u>		<u>10,330,195</u>
<b>CURRENT ASSETS</b>					
Stocks	15	5,779,788		5,746,488	
Debtors	16	9,350,268		9,048,963	
Cash at bank and in hand		224,562		308,284	
		<u>15,354,618</u>		<u>15,103,735</u>	
<b>CREDITORS:</b> amounts falling due within one year	17	(6,393,551)		(6,981,881)	
<b>NET CURRENT ASSETS</b>			<u>8,961,067</u>		<u>8,121,854</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>18,954,986</u>		<u>18,452,049</u>
<b>CREDITORS:</b> amounts falling due after more than one year	18		(1,162,071)		(360,244)
<b>NET ASSETS</b>			<u><u>17,792,915</u></u>		<u><u>18,091,805</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		8,000,000		8,000,000
Profit and loss account	20		9,792,915		10,091,805
<b>SHAREHOLDERS' FUNDS</b>	21		<u><u>17,792,915</u></u>		<u><u>18,091,805</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 February 2016.



**Mr M Penman**  
Director

The notes on pages 9 to 19 form part of these financial statements.

## **UNITED CAST BAR (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

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

The Company is part of a group banking arrangement with its fellow UK trading subsidiaries ("the UK Group") and each company in the UK Group has provided an undertaking that they will continue to make available such funds as are needed by other companies in the UK Group and, in particular, will not seek repayment of any amounts currently owed by a company in the UK Group until such time that company is in a position to make payment.

Based on this undertaking, the directors have prepared cash flow forecasts which indicate the UK Group should continue to have sufficient resources available to it to enable each company to continue in operational existence by meeting its day to day liabilities as they fall due for payment for a period of at least 12 months from the date of approval of these accounts.

In light of the foregoing, the directors continue to believe that it remains appropriate to prepare the financial statements on a going concern basis.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

##### **1.2 Cash flow**

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within a group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### **1.3 Turnover**

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. The Company's policy is to recognise a sale when substantively all the risks and rewards in connection with the goods have been passed to the buyer.

##### **1.4 Intangible fixed assets and amortisation**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life, which is 20 years.

##### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	From 5 to 15 years
---------------------	---	--------------------

##### **1.6 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

## **UNITED CAST BAR (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015**

#### **1. ACCOUNTING POLICIES (continued)**

##### **1.7 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

##### **1.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### **1.9 Foreign currencies**

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

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

##### **1.10 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

The Company participates in a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS17 'Retirement benefits', the Company accounts for this scheme as if it was a defined contribution scheme. Contributions are paid to the scheme by a fellow Group company.

##### **1.11 Taxation**

The charge for taxation is based on the profit or loss for the year and takes into account deferred taxation. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

##### **1.12 Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated on a straight line basis.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# UNITED CAST BAR (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

### 2. TURNOVER

The turnover and profit on ordinary activities before tax are attributable to the one principal activity of the Company.

A geographical analysis of turnover is as follows:

	2015 £	2014 £
United Kingdom	3,481,519	3,942,741
Europe	18,049,236	20,125,224
Rest of world	71,730	240,208
America	426,411	314,738
Far East (including Australia)	1,195,730	1,491,130
	<u>23,224,626</u>	<u>26,114,041</u>

### 3. OTHER OPERATING INCOME

	2015 £	2014 £
Sundry income	<u>294,378</u>	<u>-</u>

### 4. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging/(crediting):

	2015 £	2014 £
Amortisation	55,164	55,164
Depreciation of tangible fixed assets:		
- owned by the Company	674,994	605,200
- held under finance leases	-	80,275
Auditor's remuneration	19,500	19,000
Divisional management charge receivable	(599,404)	(735,843)
Operating lease costs: Plant and equipment	42,000	11,440
Operating lease costs: Land and buildings	<u>310,711</u>	<u>302,528</u>

### 5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	4,311,755	4,385,832
Social security costs	390,073	420,668
Other pension costs	150,695	108,169
	<u>4,852,523</u>	<u>4,914,669</u>

**UNITED CAST BAR (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2015**

**5. STAFF COSTS (continued)**

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2015</b>	2014
	<b>No.</b>	No.
Production staff	<b>92</b>	87
Administrative staff	<b>23</b>	25
	<u><b>115</b></u>	<u>112</u>

**6. DIRECTORS' REMUNERATION**

	<b>2015</b>	2014
	<b>£</b>	£
Remuneration	<u><b>463,510</b></u>	<u>487,603</u>
Company pension contributions to defined contribution pension schemes	<u><b>5,894</b></u>	<u>7,517</u>
Compensation for loss of office	<u><b>-</b></u>	<u>40,500</u>

During the year retirement benefits were accruing to 1 director (2014 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £170,000 (2014 - £192,000).

**7. INTEREST RECEIVABLE**

	<b>2015</b>	2014
	<b>£</b>	£
Other interest receivable	<u><b>-</b></u>	<u>2,551</u>

**8. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2015</b>	2014
	<b>£</b>	£
Loss on foreign currency borrowings	<b>26,998</b>	14,767
On intercompany loans	<b>10,573</b>	9,226
On finance leases and hire purchase contracts	<b>-</b>	23,747
	<u><b>37,571</b></u>	<u>47,740</u>

# UNITED CAST BAR (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

### 9. EXCEPTIONAL ITEMS

	2015 £	2014 £
Redundancies	36,344	-

### 10. TAXATION

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.33% (2014 - 21%). The differences are explained below:

	2015 £	2014 £
(Loss)/profit on ordinary activities before tax	(298,890)	1,073,912
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.33% (2014 - 21%)	(60,765)	225,522
<b>Effects of:</b>		
(Income)/expenses not deductible for tax purposes	(59,036)	2,619
Depreciation in excess of Capital allowances	123,388	4,587
Other differences leading to a (decrease)/increase in the tax charge	(3,587)	3,464
Group relief	-	(236,192)
<b>Current tax charge for the year (see note above)</b>	-	-

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.



**UNITED CAST BAR (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2015**

**11. DEFERRED TAXATION**

	2015 £	2014 £
At beginning and end of year	-	-

There is a potential deferred tax liability in respect of timing differences of approximately £24,241 ( 2014 : £144,371). However, the Company is part of a group which has sufficient tax losses available to provide group relief against any taxable income over the foreseeable future in this Company, and specifically for the next 12 months, and therefore no provision has been made in these accounts.

**12. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>Cost</b>	
At 1 December 2014 and 30 November 2015	1,103,294
<b>Amortisation</b>	
At 1 December 2014	612,253
Charge for the year	55,164
At 30 November 2015	667,417
<b>Net book value</b>	
At 30 November 2015	435,877
At 30 November 2014	491,041

**13. TANGIBLE FIXED ASSETS**

	Plant and machinery £
<b>Cost</b>	
At 1 December 2014	14,717,675
Additions	393,882
At 30 November 2015	15,111,557
<b>Depreciation</b>	
At 1 December 2014	10,740,908
Charge for the year	674,994
At 30 November 2015	11,415,902
<b>Net book value</b>	
At 30 November 2015	3,695,655
At 30 November 2014	3,976,767

**UNITED CAST BAR (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2015**

**14. FIXED ASSET INVESTMENTS**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 December 2014 and 30 November 2015	<b>6,036,137</b>
<b>Impairment</b>	
At 1 December 2014 and 30 November 2015	<b>173,750</b>
<b>Net book value</b>	
At 30 November 2015	<b>5,862,387</b>
At 30 November 2014	<b>5,862,387</b>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
UCB Germany GmbH	Ordinary	100 %
UCB Sweden AB	Ordinary	100 %
UCB France	Ordinary	51 %
UCB Metalli srl	Ordinary	100 %
UCB Austria GmbH	Ordinary	100 %
UCB Technometal sro	Ordinary	100 %

The aggregate of the share capital and reserves as at 30 November 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves £'000</b>	<b>Profit £'000</b>
UCB Germany GmbH	<b>2,752</b>	<b>33</b>
UCB Sweden AB	<b>1,087</b>	<b>80</b>
UCB France	<b>1,415</b>	<b>10</b>
UCB Metalli srl	<b>1,210</b>	<b>44</b>
UCB Austria GmbH	<b>648</b>	<b>64</b>
UCB Technometal sro	<b>1,089</b>	<b>89</b>

**15. STOCKS**

	<b>2015 £</b>	<b>2014 £</b>
Raw materials	<b>484,103</b>	<b>430,947</b>
Finished goods and goods for resale	<b>5,295,685</b>	<b>5,315,541</b>
	<b>5,779,788</b>	<b>5,746,488</b>

**UNITED CAST BAR (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2015**

**16. DEBTORS**

	2015 £	2014 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	5,160,000	3,180,000
<b>Due within one year</b>		
Trade debtors	1,643,447	1,996,681
Amounts owed by group undertakings	2,164,403	3,088,847
Other debtors	172,369	456,324
Prepayments and accrued income	210,049	327,111
	<u>9,350,268</u>	<u>9,048,963</u>

Amounts owed by group undertakings due after more one year are interest free.

Amounts owed by group undertakings due within one year are interest free

**17. CREDITORS:**

**Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	3,740,684	4,511,854
Amounts owed to group undertakings	2,183,090	1,564,703
Other taxation and social security	124,497	142,812
Other creditors	17,296	330,394
Accruals and deferred income	327,984	432,118
	<u>6,393,551</u>	<u>6,981,881</u>

Amounts owed to group underatkings due within one year are interest free.

**18. CREDITORS:**

**Amounts falling due after more than one year**

	2015 £	2014 £
Amounts owed to group undertakings	<u>1,162,071</u>	<u>360,244</u>

The £331,000 (2014: £360,244) owed to UCB Sweden AB attracts interest at 3.95%.

The £831,070 (2014:£nil) owed to UCB Cast Profil SA attracts interst at 2.91%.

There are no predetermined repayment dates or interest payment arrangements applying to amounts owed to group undertakings. However repayment will not be requested within one year.

**UNITED CAST BAR (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2015**

**19. SHARE CAPITAL**

	2015 £	2014 £
<b>Authorised</b>		
10,000,000 Ordinary shares of £1 each	<u>10,000,000</u>	<u>10,000,000</u>
<b>Allotted, called up and fully paid</b>		
8,000,000 Ordinary shares of £1 each	<u>8,000,000</u>	<u>8,000,000</u>

**20. RESERVES**

	Profit and loss account £
At 1 December 2014	10,091,805
Loss for the financial year	(298,890)
At 30 November 2015	<u>9,792,915</u>

**21. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2015 £	2014 £
Opening shareholders' funds	18,091,805	17,017,893
(Loss)/profit for the financial year	(298,890)	1,073,912
Closing shareholders' funds	<u>17,792,915</u>	<u>18,091,805</u>

**22. CONTINGENCIES**

The Company is party to the UK Group's cross guarantee banking arrangements in respect of the UK Group's £1.5m overdraft facility (2014 : £1.5m) which was £Nil (2014: £Nil) at the balance sheet date.

## UNITED CAST BAR (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

#### 23. PENSION COMMITMENTS

The Company is a member of a funded defined benefit pension scheme operated by the immediate parent undertaking, BI Group Plc. From 1 January 2006 a Stakeholder Pension Plan has been put in place.

##### **BI Group Pension Scheme**

The Company operates a defined benefit group pension scheme, the BI Group Pension Scheme which is administered by a Trustee. With effect from 31 March 2004 further benefits ceased to accrue to the members of the scheme.

The Company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, consequently as permitted by FRS17 'Retirement Benefits', the scheme has been accounted for, in these financial statements as if the scheme was a defined contribution scheme. The scheme has a deficit of £6.934m and a funding plan has been agreed by the Company's directors and the scheme's Trustee.

The pension costs relating to this scheme are assessed in accordance with the advice of an independent qualified actuary using the actuarial method. The latest formal actuarial review of the scheme was at 31 March 2012. The main actuarial assumptions assumed normal market rates of investment returns per annum and a pensionable salary increase assessed at prudent levels. Allowance was made for withdrawals of members before normal retirement age and death in service.

The valuation carried out as at 31 March 2012 was updated for FRS17 purposes to 30 November 2015 by a qualified independent actuary and showed a deficit of £6.934m.

At 30 November 2015 the aggregate actuarial value of the scheme's assets was £34.922m. The level of asset cover for liabilities was 84% with respect to section A, the largest section of the scheme, 80% with respect of section B and 120% with respect of section C.

The employer's contribution for the year in respect of the defined benefit scheme was £Nil (2014 : £Nil). BI Group plc is making contributions to the scheme on behalf of all member companies.

##### **Stakeholder Pension Plan**

From 1 January 2006 the Company contributes to employee stakeholder pension plans. The pension cost represents contributions payable by the Company to the fund and amounted to £150,695 (2014 : £108,168). There was £11,581 (2014 : £23,259) outstanding at the balance sheet date.

# UNITED CAST BAR (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

### 24. OPERATING LEASE COMMITMENTS

At 30 November 2015 the Company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>			<b>Other</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expiry date:</b>				
Within 1 year	-	-	<b>4,228</b>	11,425
Between 2 and 5 years	<b>42,000</b>	42,000	<b>21,435</b>	26,903
After more than 5 years	<b>275,593</b>	269,233	-	-
	<u><b>275,593</b></u>	<u>269,233</u>	<u><b>21,435</b></u>	<u>26,903</u>

### 25. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption given in FRS 8 Related Party Disclosures with respect to inter group disclosures as the group controls all of the Company's voting share capital and the group financial statements are publicly available.

### 26. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company is a subsidiary undertaking of BI Group Plc. The results of the Company are consolidated in the financial statements of Proclad Group Limited, a company registered in the Emirate of Dubai and also the financial statements of the ultimate parent company, National Industries Group Holding - KPSC incorporated in Kuwait. These are respectively the smallest and largest group accounts which include the results of the Company. Copies of the financial statements of National Industries Group Holding - KPSC are available from PO Box 417, 13005 Safat, Kuwait.