

**SALOP DESIGN & ENGINEERING LIMITED**

**ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2012**

THURSDAY



A36      \*A1KA2HEP\*      #125  
COMPANIES HOUSE

---

## **SALOP DESIGN & ENGINEERING LIMITED**

---

### **COMPANY INFORMATION**

---

<b>DIRECTORS</b>	Gillian M Homden Richard L Homden Ben I Russell Lee Pearson Chris Greenough
<b>COMPANY SECRETARY</b>	Ben I Russell
<b>COMPANY NUMBER</b>	00895927
<b>REGISTERED OFFICE</b>	Brixton Way Harlescott Industrial Estate Shrewsbury Shropshire SY1 3LB
<b>AUDITORS</b>	Whittingham Riddell LLP Chartered Accountants & Statutory Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
<b>BANKERS</b>	Barclays Bank Plc Castle Street Shrewsbury Shropshire SY1 2BU
<b>SOLICITORS</b>	Turnball Garrard 24 The Crescent Shrewsbury Shropshire SY1 1TJ

---

**SALOP DESIGN & ENGINEERING LIMITED**

---

**CONTENTS**

---

	Page
<b>Directors' report</b>	1 - 2
<b>Independent auditors' report</b>	3
<b>Profit and loss account</b>	4
<b>Balance sheet</b>	5
<b>Notes to the abbreviated accounts</b>	6 - 12

---

## **SALOP DESIGN & ENGINEERING LIMITED**

---

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2012**

---

The directors present their report and the financial statements for the year ended 31 March 2012

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

The directors are responsible for preparing 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.

#### **PRINCIPAL ACTIVITIES**

The main activity of the business remains the manufacturing and production of precision metal pressings and assemblies predominantly for the Automotive and Domestic Appliance Industries.

#### **BUSINESS REVIEW**

External market conditions have still had a significant impact on the business, but it is clear that production volumes are recovering and this is evident with turnover increasing by 26.7% in the year to £6.7m.

Once again the automotive quality standard TS16949 has been successfully retained and the Company has yet again performed very well.

The modest retained profit of £79k represents the 3rd consecutive year of growth.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £79,333 (2011 - £14,088).

The directors do not recommend the payment of a dividend (2011 - £NIL).

---

**SALOP DESIGN & ENGINEERING LIMITED**

---

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2012**

---

**DIRECTORS**

The directors who served during the year were

Gillian M Homden  
Richard L Homden  
Ben I Russell  
Lee Pearson  
Chris Greenough

**PROVISION OF INFORMATION TO AUDITORS**

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 auditors are 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

**AUDITORS**

Under section 487 of the Companies Act 2006, Whittingham Riddell LLP will be deemed to have been reappointed as auditor(s) 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on 31 August 2012 and signed on its behalf



**Ben I Russell**  
Director

---

## **SALOP DESIGN & ENGINEERING LIMITED**

---

### **INDEPENDENT AUDITORS' REPORT TO SALOP DESIGN & ENGINEERING LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006**

---

We have examined the abbreviated accounts, which comprise the abbreviated Profit and loss account, the Balance sheet and the related notes, together with the financial statements of Salop Design & Engineering Limited for the year ended 31 March 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. 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 Auditors' 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 work, for this report, or for the opinions we have formed.

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

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 are properly prepared.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts which comprise the abbreviated Profit and loss account, the Balance sheet and the related notes have been properly prepared in accordance with the regulations made under that section.



Timothy Jones BSc FCA (Senior statutory auditor)

for and on behalf of  
**Whittingham Riddell LLP**

Chartered Accountants  
Statutory Auditors

Belmont House  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

17 October 2012

---

**SALOP DESIGN & ENGINEERING LIMITED**

---

---

**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2012**

---

	Note	2012 £	2011 £
<b>TURNOVER</b>	1	<b>6,702,587</b>	<b>5,284,150</b>
<b>GROSS PROFIT</b>		<b>1,090,600</b>	<b>818,255</b>
Distribution costs		(261,367)	(187,908)
Administrative expenses		(752,619)	(594,532)
<b>OPERATING PROFIT</b>	2	<b>76,614</b>	<b>35,815</b>
Interest receivable and similar income		17	-
Interest payable and similar charges	5	(5,515)	(5,500)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>71,116</b>	<b>30,315</b>
Tax on profit on ordinary activities	6	8,217	(16,227)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	14	<b>79,333</b>	<b>14,088</b>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

The notes on pages 6 to 12 form part of these financial statements

**SALOP DESIGN & ENGINEERING LIMITED**  
**REGISTERED NUMBER: 00895927**

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 MARCH 2012**

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	7	1,278,333	1,404,674
<b>CURRENT ASSETS</b>			
Stocks	8	519,924	502,261
Debtors	9	1,781,187	1,685,449
Cash at bank and in hand		241,158	73,240
		<u>2,542,269</u>	<u>2,260,950</u>
<b>CREDITORS</b> amounts falling due within one year	10	<u>(1,102,247)</u>	<u>(1,018,385)</u>
<b>NET CURRENT ASSETS</b>		<u>1,440,022</u>	<u>1,242,565</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,718,355</u>	<u>2,647,239</u>
<b>CREDITORS</b> amounts falling due after more than one year	11	(1,100,000)	(1,100,000)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred Tax	12	<u>(169,921)</u>	<u>(178,138)</u>
<b>NET ASSETS</b>		<u><u>1,448,434</u></u>	<u><u>1,369,101</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	20,100	20,100
Profit and loss account	14	<u>1,428,334</u>	<u>1,349,001</u>
<b>SHAREHOLDERS' FUNDS</b>	15	<u><u>1,448,434</u></u>	<u><u>1,369,101</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 31 August 2012

Richard L Homden  
Director



The notes on pages 6 to 12 form part of these financial statements



---

## **SALOP DESIGN & ENGINEERING LIMITED**

---

### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012**

---

#### **1 ACCOUNTING POLICIES**

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

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

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

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the 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

##### **1.4 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 & Machinery	- 7.5-25% reducing balance
Motor Vehicles	- 33.3% reducing balance

##### **1.5 Operating leases**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

##### **1.6 Stocks and work in progress**

Stocks and work in progress 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

---

## SALOP DESIGN & ENGINEERING LIMITED

---

### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

---

#### 1 ACCOUNTING POLICIES (continued)

##### 1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

##### 1.8 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

##### 1.9 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

#### 2. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	156,000	180,657
Auditors' remuneration	7,020	6,950
Difference on foreign exchange	24,298	(14,073)
	<u>          </u>	<u>          </u>

---

## SALOP DESIGN & ENGINEERING LIMITED

---

### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

---

#### 3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	1,217,578	867,028
Social security costs	119,608	82,130
Other pension costs	9,600	3,615
	<u>1,346,786</u>	<u>952,773</u>

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

	2012 No	2011 No
Production	56	50
Administration	4	4
	<u>60</u>	<u>54</u>

#### 4 DIRECTORS' REMUNERATION

	2012 £	2011 £
Emoluments	<u>207,269</u>	<u>116,165</u>
Company pension contributions to defined contribution pension schemes	<u>9,600</u>	<u>3,615</u>

During the year retirement benefits were accruing to 3 directors (2011 - 1) in respect of defined contribution pension schemes

The highest paid director received remuneration of £62,110 (2011 - £58,234)

#### 5. INTEREST PAYABLE

	2012 £	2011 £
On loans from group undertakings	<u>5,515</u>	<u>5,500</u>

---

**SALOP DESIGN & ENGINEERING LIMITED**

---

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2012**

---

**6 TAXATION**

	2012 £	2011 £
<b>Analysis of tax charge in the year</b>		
Deferred tax (see note 12)		
Origination and reversal of timing differences	(8,217)	16,227
<b>Tax on profit on ordinary activities</b>	<u>(8,217)</u>	<u>16,227</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2011 - *lower than*) the standard rate of corporation tax in the UK of 26% (2011 - 28%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>71,116</u>	<u>30,315</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	18,490	8,488
<b>Effects of.</b>		
Depreciation in excess of capital allowances for year	14,303	23,085
Utilisation of tax losses	(15,683)	(31,573)
Book profit on chargeable assets	(17,110)	-
<b>Current tax charge for the year (see note above)</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

There are tax losses carried forward at 31st March 2012 of £451,095 which will be used against any future trading profits generated within the company

**SALOP DESIGN & ENGINEERING LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2012**

**7 TANGIBLE FIXED ASSETS**

	Plant & Machinery £	Motor Vehicles £	Total £
<b>Cost</b>			
At 1 April 2011	5,350,927	3,000	5,353,927
Additions	65,351	-	65,351
Disposals	(116,062)	-	(116,062)
At 31 March 2012	<u>5,300,216</u>	<u>3,000</u>	<u>5,303,216</u>
<b>Depreciation</b>			
At 1 April 2011	3,946,254	2,999	3,949,253
Charge for the year	156,000	-	156,000
On disposals	(80,370)	-	(80,370)
At 31 March 2012	<u>4,021,884</u>	<u>2,999</u>	<u>4,024,883</u>
<b>Net book value</b>			
At 31 March 2012	<u>1,278,332</u>	<u>1</u>	<u>1,278,333</u>
At 31 March 2011	<u>1,404,673</u>	<u>1</u>	<u>1,404,674</u>

**8 STOCKS**

	2012 £	2011 £
Raw materials	176,985	209,460
Work in progress	97,150	78,037
Finished goods and goods for resale	245,789	214,764
	<u>519,924</u>	<u>502,261</u>

**9 DEBTORS**

	2012 £	2011 £
Trade debtors	1,728,720	1,669,456
Prepayments and accrued income	52,467	15,993
	<u>1,781,187</u>	<u>1,685,449</u>

---

**SALOP DESIGN & ENGINEERING LIMITED**

---

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2012**

---

**10. CREDITORS.**

Amounts falling due within one year

	2012 £	2011 £
Trade creditors	870,729	808,826
Social security and other taxes	100,002	69,932
Accruals and deferred income	131,516	139,627
	<u>1,102,247</u>	<u>1,018,385</u>

**11 CREDITORS.**

Amounts falling due after more than one year

	2012 £	2011 £
Amounts owed to group undertakings	<u>1,100,000</u>	<u>1,100,000</u>

Amounts due to group undertakings are secured by a debenture in the favour of R A Homden Limited to the value of £1,200,000 dated 9 March 1999 over all assets and undertakings

**12 DEFERRED TAXATION**

	2012 £	2011 £
At beginning of year	178,138	161,911
(Released during)/charge for year	(8,217)	16,227
	<u>169,921</u>	<u>178,138</u>

The provision for deferred taxation is made up as follows

	2012 £	2011 £
Accelerated capital allowances	283,945	314,995
Losses and other deductions	(114,024)	(136,857)
	<u>169,921</u>	<u>178,138</u>

---

**SALOP DESIGN & ENGINEERING LIMITED**

---

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2012**

---

**13 SHARE CAPITAL**

	2012 £	2011 £
<b>Allotted, called up and fully paid</b>		
20,100 Ordinary shares of £1 each	<u>20,100</u>	<u>20,100</u>

**14. RESERVES**

	Profit and loss account £
At 1 April 2011	1,349,001
Profit for the year	79,333
At 31 March 2012	<u>1,428,334</u>

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

	2012 £	2011 £
Opening shareholders' funds	1,369,101	1,355,013
Profit for the year	79,333	14,088
Closing shareholders' funds	<u>1,448,434</u>	<u>1,369,101</u>

**16 PENSION COMMITMENTS**

The company operates a defined contributions pension scheme for the benefits of directors and senior employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £9,600 (2011 £3,615).

**17 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ultimate parent undertaking and controlling party is R A Homden Limited, which is a company registered in the UK.