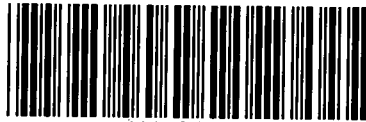


**SALOP DESIGN & ENGINEERING LIMITED**

**ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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COMPANIES HOUSE

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## **SALOP DESIGN & ENGINEERING LIMITED**

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### **COMPANY INFORMATION**

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**DIRECTORS**

Gillian M Homden  
Richard L Homden  
Lee Pearson  
Chris Greenough

**REGISTERED NUMBER**

00895927

**REGISTERED OFFICE**

Brixton Way  
Harlescott Industrial Estate  
Shrewsbury  
Shropshire  
SY1 3LB

**INDEPENDENT AUDITORS**

Whittingham Riddell LLP  
Chartered Accountants & Statutory Auditors  
Belmont House  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

**BANKERS**

Barclays Bank Plc  
Castle Street  
Shrewsbury  
Shropshire  
SY1 2BU

**SOLICITORS**

Turnball Garrard  
24 The Crescent  
Shrewsbury  
Shropshire  
SY1 1TJ

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**SALOP DESIGN & ENGINEERING LIMITED**

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## **SALOP DESIGN & ENGINEERING LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014**

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The directors present their report and the financial statements for the year ended 31 March 2014.

#### **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.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £160,678 (2013 - loss £35,329).

The directors do not recommend the payment of a dividend (2013: £NIL).

#### **DIRECTORS**

The directors who served during the year were:

Gillian M Homden  
Richard L Homden  
Lee Pearson  
Chris Greenough

#### **DISCLOSURE 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 relevant audit information and to establish that the company's auditors are aware of that information.

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**SALOP DESIGN & ENGINEERING LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2014**

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**AUDITORS**

The auditors, Whittingham Riddell LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 20 October 2014 and signed on its behalf.



**Richard L Homden**  
Director

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## **SALOP DESIGN & ENGINEERING LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2014**

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#### **INTRODUCTION**

The Directors present the strategic report for the year ended 31 March 2014.

#### **BUSINESS REVIEW**

External market conditions remain competitive but through the introduction OEE improvements and a continued investment in plant and technology, the company has seen a return to profitable levels. By achieving a combination of higher gross margins and more efficient production processes, the Directors feel this level of profits is sustainable.

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

Further investments in plant and energy efficient resources are planned for 2015 and the Directors are confident the company is well placed to take advantage of the anticipated upturn in the economy over the next few years

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

The key performance indicators which are monitored are the gross and net profit margins and the Directors are satisfied with the results of the company for each of these measures.

This report was approved by the board on 20 October 2014 and signed on its behalf.



**Richard L Homden**  
Director

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## SALOP DESIGN & ENGINEERING LIMITED

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

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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 2014 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.

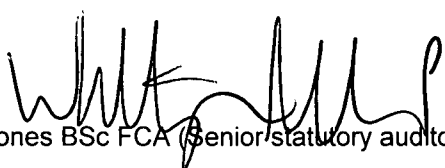
#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

29 October 2014

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**SALOP DESIGN & ENGINEERING LIMITED**

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**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2014**

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	Note	2014 £	2013 £
<b>TURNOVER</b>	1	<b>6,469,506</b>	<b>7,204,450</b>
<b>GROSS PROFIT</b>		<b>1,155,738</b>	<b>1,017,860</b>
Distribution costs		<b>(240,792)</b>	<b>(252,615)</b>
Administrative expenses		<b>(721,246)</b>	<b>(823,281)</b>
<b>OPERATING PROFIT/(LOSS)</b>	2	<b>193,700</b>	<b>(58,036)</b>
Interest payable and similar charges	5	<b>(5,400)</b>	<b>(5,500)</b>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>188,300</b>	<b>(63,536)</b>
Tax on profit/(loss) on ordinary activities	6	<b>(27,622)</b>	<b>28,207</b>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	14	<b>160,678</b>	<b>(35,329)</b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 7 to 14 form part of these financial statements.



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

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 MARCH 2014**

	Note	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	7	1,249,713	1,229,461
<b>CURRENT ASSETS</b>			
Stocks	8	571,266	654,386
Debtors	9	2,003,864	2,406,226
Cash at bank and in hand		182,559	333,660
		<u>2,757,689</u>	<u>3,394,272</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(1,164,283)</u>	<u>(1,968,914)</u>
<b>NET CURRENT ASSETS</b>		<u>1,593,406</u>	<u>1,425,358</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,843,119</u>	<u>2,654,819</u>
<b>CREDITORS: amounts falling due after more than one year</b>	11	(1,100,000)	(1,100,000)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred Tax	12	(169,336)	(141,714)
<b>NET ASSETS</b>		<u>1,573,783</u>	<u>1,413,105</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	20,100	20,100
Profit and loss account	14	1,553,683	1,393,005
<b>SHAREHOLDERS' FUNDS</b>	15	<u>1,573,783</u>	<u>1,413,105</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 20 October 2014.



**Richard L Homden**  
 Director

The notes on pages 7 to 14 form part of these financial statements.

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## SALOP DESIGN & ENGINEERING LIMITED

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### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 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.

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## SALOP DESIGN & ENGINEERING LIMITED

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### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 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/(LOSS)

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

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	150,330	152,600
Auditors' remuneration	7,130	7,130
Difference on foreign exchange	6,812	23,591
	<u>          </u>	<u>          </u>

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**SALOP DESIGN & ENGINEERING LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**3. STAFF COSTS**

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

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,427,397</b>	<b>1,393,282</b>
Social security costs	<b>121,793</b>	<b>131,218</b>
Other pension costs	<b>9,600</b>	<b>9,600</b>
	<hr/>	<hr/>
	<b>1,558,790</b>	<b>1,534,100</b>
	<hr/>	<hr/>

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

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
Production	<b>58</b>	<b>64</b>
Administration	<b>3</b>	<b>3</b>
	<hr/>	<hr/>
	<b>61</b>	<b>67</b>
	<hr/>	<hr/>

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**SALOP DESIGN & ENGINEERING LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**4. DIRECTORS' REMUNERATION**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Remuneration	<b>147,217</b>	<b>176,405</b>
Company pension contributions to defined contribution pension schemes	<b>9,600</b>	<b>9,600</b>

During the year retirement benefits were accruing to 3 directors (2013 - 3) in respect of defined contribution pension schemes.

**5. INTEREST PAYABLE**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
On loans from group undertakings	<b>5,400</b>	<b>5,500</b>

**6. TAXATION**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit/loss for the year	-	-
<b>Deferred tax</b> (see note 12)		
Origination and reversal of timing differences	<b>27,622</b>	<b>(28,207)</b>
<b>Tax on profit/loss on ordinary activities</b>	<b>27,622</b>	<b>(28,207)</b>

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**SALOP DESIGN & ENGINEERING LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**6. TAXATION (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2013 - *lower than*) the standard rate of corporation tax in the UK of 20% (2013 - 20%). The differences are explained below:

	2014 £	2013 £
Profit/loss on ordinary activities before tax	<u>188,300</u>	<u>(63,536)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)	37,660	(12,707)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	(1,000)
Depreciation in excess of capital allowances for year	-	17,554
Utilisation of tax losses	(37,660)	(3,847)
	<u>          </u>	<u>          </u>
<b>Current tax charge for the year</b> (see note above)	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

There are tax losses carried forward at 31st March 2014 of c£183k 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 2014**

**7. TANGIBLE FIXED ASSETS**

	Plant & Machinery £	Motor Vehicles £	Total £
<b>Cost</b>			
At 1 April 2013	5,403,944	3,000	5,406,944
Additions	188,707	-	188,707
Disposals	(110,837)	-	(110,837)
At 31 March 2014	5,481,814	3,000	5,484,814
<b>Depreciation</b>			
At 1 April 2013	4,174,484	2,999	4,177,483
Charge for the year	151,330	-	151,330
On disposals	(93,712)	-	(93,712)
At 31 March 2014	4,232,102	2,999	4,235,101
<b>Net book value</b>			
At 31 March 2014	1,249,712	1	1,249,713
At 31 March 2013	1,229,460	1	1,229,461

**8. STOCKS**

	2014 £	2013 £
Raw materials	294,512	265,728
Work in progress	180,322	162,998
Finished goods and goods for resale	96,432	225,660
	571,266	654,386

**9. DEBTORS**

	2014 £	2013 £
Trade debtors	1,889,459	2,018,947
Amounts owed by group undertakings	5,551	384,648
Prepayments and accrued income	108,854	2,631
	2,003,864	2,406,226

**SALOP DESIGN & ENGINEERING LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**10. CREDITORS:  
Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	896,458	1,206,882
Other taxation and social security	119,678	255,744
Other creditors	21,186	683
Accruals and deferred income	126,961	505,605
	<u>1,164,283</u>	<u>1,968,914</u>

**11. CREDITORS:  
Amounts falling due after more than one year**

	2014 £	2013 £
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 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**

	2014 £	2013 £
At beginning of year	141,714	169,921
Charge for/(released during) year (P&L)	27,622	(28,207)
	<u>169,336</u>	<u>141,714</u>

The provision for deferred taxation is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	207,977	244,124
Losses and other deductions	(38,641)	(102,410)
	<u>169,336</u>	<u>141,714</u>



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**SALOP DESIGN & ENGINEERING LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**13. SHARE CAPITAL**

	<b>2014</b> £	<b>2013</b> £
<b>Allotted, called up and fully paid</b>		
20,100 Ordinary shares of £1 each	<u><b>20,100</b></u>	<u><b>20,100</b></u>

**14. RESERVES**

	<b>Profit and loss account £</b>
At 1 April 2013	<b>1,393,005</b>
Profit for the financial year	<b>160,678</b>
	<u><b>1,553,683</b></u>
At 31 March 2014	

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

	<b>2014</b> £	<b>2013</b> £
Opening shareholders' funds	<b>1,413,105</b>	<b>1,448,434</b>
Profit/(loss) for the financial year	<b>160,678</b>	<b>(35,329)</b>
	<u><b>1,573,783</b></u>	<u><b>1,413,105</b></u>
Closing shareholders' funds		

**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 (2013: £9,600).

**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.