

REGISTERED NUMBER: 01644542 (England and Wales)

Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 October 2017
for
Abbey Forged Products Limited

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for the Year Ended 31 October 2017**

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Abbey Forged Products Limited
Company Information
for the Year Ended 31 October 2017

DIRECTORS:

Mrs J M Neal
R S Neal
J S Neal

SECRETARY:

Mrs J M Neal

REGISTERED OFFICE:

Beeley Wood Works
Beeley Wood Lane
Sheffield
South Yorkshire
S6 1ND

REGISTERED NUMBER:

01644542 (England and Wales)

AUDITORS:

Sutton McGrath Hartley
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Strategic Report
for the Year Ended 31 October 2017

The directors present their strategic report for the year ended 31 October 2017.

REVIEW OF BUSINESS

The company has seen a modest increase in turnover of approximately 9% but a slight dip in overall profitability due to tightened margins. Despite this the company has been able to broadly maintain its net asset position. The company expects to reverse the profitability dip, continue with future turnover growth and continue technological advancements in line with its expectations.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk is present in all businesses. The directors consider the major risks and uncertainties at this point in time are:

1. Product Mix

Commodity-like steel products face higher degrees of competition and are more exposed to price volatility. The company produces higher value added products that provide above average margins, stable volumes and contribute to a reduction on relative earnings fluctuations.

2. Raw Material Position

The cost efficiency of the company's operations is highly dependent on the cost and availability of raw materials. The company does not rely too heavily on one major supplier for raw materials, which gives the company access to readily available raw materials at competitive prices.

3. Market Volatility

Being that the company operates in the steel industry, its earnings are exposed to cyclical changes to supply and demand, resulting in price fluctuations which can lead to varied and volatile financial performance. Management have significant experience in the steel industry which allows them to take a proactive response to cyclical changes in order to reduce the risk that market volatility has on the company's financial performance.

Strategic Report
for the Year Ended 31 October 2017

PERFORMANCE MONITORING

The board monitors the company's performance in a number of ways including key performance indicators. The key financial performance indicators for the company are as follows:

	2017	2016
	£	£
Revenue	23,692,126	21,760,238
Return On Capital Employed	12%	27.1%
Operating Profit per Employee	11,297	30,108
Turnover per Employee	122,124	124,344
Gross Profit Margin	28%	37.2%
Operating Profit Margin	9.3%	24.6%
Current Ratio	1.28:1	1.34:1

The revenue indicator represents the value of goods delivered to customers in the year and measures sales reduction in value terms.

The return on capital employed indicator represents the value of return to the shareholder in the year through the activities of the business and measures return in value terms.

The operating profit per employee indicator represents the contribution per employee to overall profit levels and measures growth per employee in value terms.

The turnover per production employee indicator represents the value of sales output per employee and measures production efficiency in value terms.

The gross profit margin is calculated by dividing gross profit by revenue and measures the total profitability of product sales.

The operating profit margin is the profit generated by the company from operations excluding finance and investment income and costs before taxation. This indicator measures the overall profitability of the business for the year.

The current ratio indicator represents the value of the company's current assets to its current liabilities and measures the ability of the company to finance its current liabilities from business operations as they fall due.

The board also considers the following key non-financial performance indicators:

1. Customer mix against plans
2. Sales activities measured against results.

These non-financial indicators are reviewed regularly by the board.

ON BEHALF OF THE BOARD:

Mrs J M Neal - Director

13 July 2018

Report of the Directors
for the Year Ended 31 October 2017

The directors present their report with the financial statements of the company for the year ended 31 October 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of dealing in stainless steel.

DIVIDENDS

Particulars of dividends are detailed on note 4 to the financial statements.

FUTURE DEVELOPMENTS

The company plans to return to growth in future years and the directors are focused and confident regarding business development in the future. The Directors expect their overall general investments within the company to increase the company's trade and profits in future years.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2016 to the date of this report.

Mrs J M Neal
R S Neal
J S Neal

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise of bank balances, trade creditors, trade debtors and loans both to and from the company.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance in order to ensure all due amounts can be paid within the deadlines stipulated when credit is taken. The company makes use of additional funds held in excess of that required for day to day running of the company by investing them in high interest accounts. These have instant access to ensure money is available where required to meet any day to day demands on cash flow.

In respect of loans to and from the company, these comprise of loans both from and to directors and to employees. The loans to and from directors and to employees are interest free and payable on demand. The directors are aware of the company's financial position and would not withdraw funds unless the company had sufficient funds to satisfy the day to day running of the business.

Trade debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding for time limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet the amounts due.

POLITICAL DONATIONS AND EXPENDITURE

During the year the company made charitable donations to the following charities;

The Childrens Hospital Charity - £32,155
The Prince's Trust - £17,375
The Outward Bound Trust - £12,000
Various smaller donations - £8,952

EURO ISSUES

The company's systems are Euro compatible. The company has assessed the situation and does not anticipate any problems or additional costs if the Euro is introduced in the UK.

Report of the Directors
for the Year Ended 31 October 2017

DIRECTORS INDEMNITY PROVISIONS

The directors have been granted a qualifying third party indemnity provision under Section 234 of the Companies Act 2006. This indemnity does not provide cover in the event of a director being proven to have acted fraudulently or dishonestly.

EMPLOYEE POLICIES

The company has equal opportunities policies which are applied to job applicants and existing employees.

Full and fair consideration is given to the employment of disabled persons and the company has made, and will continue to make every effort to retain and assist individuals disabled in the course of their employment and to help with their rehabilitation.

Employees are made aware of the financial and economic factors affecting the achievements of the company for which they work and the way in which their personal contributions are of fundamental importance to the further success of the business.

DISCLOSURE IN THE STRATEGIC REPORT

The directors have chosen to disclose in their strategic report information including a fair review of business in the period alongside comments surrounding the financial risk management objectives and policies of the entity. This is also accompanied by a detailed performance monitoring section containing KPI's the directors feel measure the entity most accurately.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 judgements 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website and for following applicable accounting standards.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the Year Ended 31 October 2017

AUDITORS

The auditors, Sutton McGrath Hartley, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mrs J M Neal - Director

13 July 2018

Report of the Independent Auditors to the Members of
Abbey Forged Products Limited

Opinion

We have audited the financial statements of Abbey Forged Products Limited (the 'company') for the year ended 31 October 2017 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2017 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Abbey Forged Products Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

Jonathon Dickens ACA (Senior Statutory Auditor)
for and on behalf of Sutton McGrath Hartley
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

26 July 2018

Income Statement
for the Year Ended 31 October 2017

	Notes	2017 £	£	2016 £	£
TURNOVER	3		23,838,490		21,760,238
Cost of sales			17,069,178		13,659,287
GROSS PROFIT			6,769,312		8,100,951
Administrative expenses			4,431,313		2,741,801
OPERATING PROFIT	5		2,337,999		5,359,150
Income from shares in group undertakings	6	140,000		-	
Interest receivable and similar income		24,979		177,575	
			164,979		177,575
			2,502,978		5,536,725
Interest payable and similar expenses	7		-		5,118
PROFIT BEFORE TAXATION			2,502,978		5,531,607
Tax on profit	8		451,413		1,084,082
PROFIT FOR THE FINANCIAL YEAR			2,051,565		4,447,525

The notes form part of these financial statements

Abbey Forged Products Limited (Registered number: 01644542)

Other Comprehensive Income
for the Year Ended 31 October 2017

	Notes	2017 £	2016 £
PROFIT FOR THE YEAR		2,051,565	4,447,525
OTHER COMPREHENSIVE INCOME		_____ -	_____ -
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		<u>2,051,565</u>	<u>4,447,525</u>

The notes form part of these financial statements

Statement of Financial Position
31 October 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Tangible assets	10	12,861,063		11,599,214	
Investments	11	178,547		178,547	
Investment property	12	219,631		219,631	
		<u>13,259,241</u>		<u>11,997,392</u>	
CURRENT ASSETS					
Stocks	13	508,196		533,662	
Debtors	14	15,917,552		11,153,477	
Cash at bank and in hand		<u>14,275,855</u>		<u>19,488,871</u>	
		<u>30,701,603</u>		<u>31,176,010</u>	
CREDITORS					
Amounts falling due within one year	15	<u>23,971,303</u>		<u>23,256,126</u>	
NET CURRENT ASSETS			<u>6,730,300</u>		<u>7,919,884</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>19,989,541</u>		<u>19,917,276</u>
PROVISIONS FOR LIABILITIES	16		<u>162,066</u>		<u>166,366</u>
NET ASSETS			<u>19,827,475</u>		<u>19,750,910</u>
CAPITAL AND RESERVES					
Called up share capital	17	100		100	
Retained earnings	18	<u>19,827,375</u>		<u>19,750,810</u>	
SHAREHOLDERS' FUNDS		<u>19,827,475</u>		<u>19,750,910</u>	

The financial statements were approved by the Board of Directors on 13 July 2018 and were signed on its behalf by:

Mrs J M Neal - Director

Statement of Changes in Equity
for the Year Ended 31 October 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2015	100	22,353,285	22,353,385
Changes in equity			
Dividends	-	(7,050,000)	(7,050,000)
Total comprehensive income	-	4,447,525	4,447,525
Balance at 31 October 2016	100	19,750,810	19,750,910
Changes in equity			
Dividends	-	(1,975,000)	(1,975,000)
Total comprehensive income	-	2,051,565	2,051,565
Balance at 31 October 2017	100	19,827,375	19,827,475

Notes to the Financial Statements
for the Year Ended 31 October 2017

1. STATUTORY INFORMATION

Abbey Forged Products Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Preparation of consolidated financial statements

The financial statements contain information about Abbey Forged Products Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, The Abbey Group UK Ltd, Beeley Wood Works, Sheffield, S6 1ND.

Turnover

Turnover is the amount derived from ordinary activities measured at the fair value of the consideration received or receivable. The stated amount is after trade discounts, other sales taxes and Value Added Tax, in accordance with FRS102 Section 23.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Long leasehold	- not provided
Plant and machinery	- 25% on cost and 10% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

The directors consider that freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book values. As a result, the corresponding depreciation would not be material and therefore is not charged in the profit and loss account.

The directors perform annual impairment reviews in accordance with the requirements of FRS102 Section 17 and Section 27 to ensure that the carrying value is not lower than the recoverable amount.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2017

2. ACCOUNTING POLICIES - continued

Stocks

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 items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2017	2016
	£	£
UK	20,060,539	16,979,898
Europe	1,442,619	1,945,755
Rest of World	2,335,332	2,834,585
	<u>23,838,490</u>	<u>21,760,238</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2017

4. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	5,917,556	5,961,498
Social security costs	592,269	567,263
Other pension costs	86,943	248
	<u>6,596,768</u>	<u>6,529,009</u>

The average number of employees during the year was as follows:

	2017	2016
Production and Manual	127	124
Administration	67	54
	<u>194</u>	<u>178</u>

	2017	2016
	£	£
Directors' remuneration	151,700	42,120
Directors' pension contributions to money purchase schemes	<u>373</u>	<u>248</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>3</u>
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5. OPERATING PROFIT

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

	2017	2016
	£	£
Other operating leases	45,700	34,692
Depreciation - owned assets	468,560	464,168
Profit on disposal of fixed assets	-	(12,082)
Auditors' remuneration	11,790	11,230
Auditors' remuneration for non audit work	<u>44,892</u>	<u>25,501</u>

6. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2017	2016
	£	£
Shares in group undertakings	<u>140,000</u>	<u>-</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Interest on overdue taxation	<u>-</u>	<u>5,118</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2017

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2017 £	2016 £
Current tax:		
UK corporation tax	455,713	1,085,628
Prior Year Under/Overprovision	-	(30,352)
Total current tax	<u>455,713</u>	<u>1,055,276</u>
Deferred tax	<u>(4,300)</u>	<u>28,806</u>
Tax on profit	<u><u>451,413</u></u>	<u><u>1,084,082</u></u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Profit before tax	<u>2,502,978</u>	<u>5,531,607</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2016 - 20%)	475,566	1,106,321
Effects of:		
Expenses not deductible for tax purposes	5,842	5,481
Income not taxable for tax purposes	(26,600)	-
Capital allowances in excess of depreciation	(8,815)	(23,758)
Adjustments to tax charge in respect of previous periods	-	(30,352)
Tax charged at higher rates	9,720	-
Deferred Tax	(4,300)	28,806
Profit on disposal of Fixed Asset	-	(2,416)
Total tax charge	<u><u>451,413</u></u>	<u><u>1,084,082</u></u>

9. DIVIDENDS

	2017 £	2016 £
Interim	<u>1,975,000</u>	<u>7,050,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2017

10. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST			
At 1 November 2016	8,654,112	377,307	4,313,213
Additions	1,538,807	-	130,852
At 31 October 2017	<u>10,192,919</u>	<u>377,307</u>	<u>4,444,065</u>
DEPRECIATION			
At 1 November 2016	-	-	1,866,457
Charge for year	-	-	371,544
At 31 October 2017	<u>-</u>	<u>-</u>	<u>2,238,001</u>
NET BOOK VALUE			
At 31 October 2017	<u>10,192,919</u>	<u>377,307</u>	<u>2,206,064</u>
At 31 October 2016	<u>8,654,112</u>	<u>377,307</u>	<u>2,446,756</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 November 2016	193,792	218,275	82,403	13,839,102
Additions	3,801	85,575	1,624	1,760,659
Disposals	-	(30,250)	-	(30,250)
At 31 October 2017	<u>197,593</u>	<u>273,600</u>	<u>84,027</u>	<u>15,569,511</u>
DEPRECIATION				
At 1 November 2016	146,879	160,831	65,721	2,239,888
Charge for year	22,322	63,922	10,772	468,560
At 31 October 2017	<u>169,201</u>	<u>224,753</u>	<u>76,493</u>	<u>2,708,448</u>
NET BOOK VALUE				
At 31 October 2017	<u>28,392</u>	<u>48,847</u>	<u>7,534</u>	<u>12,861,063</u>
At 31 October 2016	<u>46,913</u>	<u>57,444</u>	<u>16,682</u>	<u>11,599,214</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2017

11. FIXED ASSET INVESTMENTS

**Shares in
group
undertakings
£**

COST

At 1 November 2016
and 31 October 2017

178,547

NET BOOK VALUE

At 31 October 2017
At 31 October 2016

178,547

178,547

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Forge UK Limited

Registered office: Beeley Wood Works, Beeley Wood Lane, Sheffield, South Yorkshire, S6 1ND

Nature of business: Sub-contract Steel Forging

	%		
Class of shares:	holding		
Ordinary	100.00	2017	2016
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

Royal Villa Number 22 Limited

Registered office: Offices of Tricor Services (BVI) Limited, PO Box 3340, 2F Palm Grove House, Road Town, Tortola.

Nature of business: Property Holding Company

	%		
Class of shares:	holding		
Ordinary	100.00	31/12/17	31/12/16
		£	£
Aggregate capital and reserves		(366,151)	64,682
Loss for the year		<u>(430,833)</u>	<u>(35,823)</u>

Abbey Engineered Products Limited

Registered office: Beeley Wood Works, Beeley Wood Lane, Sheffield, South Yorkshire, S6 1ND

Nature of business: Steel sales

	%		
Class of shares:	holding		
Ordinary	80.00	2017	2016
		£	£
Aggregate capital and reserves		399,971	129,625
Profit for the year		<u>445,346</u>	<u>129,525</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2017

12. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 November 2016 and 31 October 2017	<u>219,631</u>
NET BOOK VALUE	
At 31 October 2017	<u>219,631</u>
At 31 October 2016	<u>219,631</u>

On 17 January 2013, the company acquired freehold investment property in Spain. Whilst no formal valuation was undertaken to value the property as at 31 October 2017, it is the directors' opinion that the value of the property is not materially different to the amount that the property cost the company on 17 January 2013.

13. STOCKS

	2017 £	2016 £
Work-in-progress	275,405	320,798
Finished goods	<u>232,791</u>	<u>212,864</u>
	<u>508,196</u>	<u>533,662</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	4,416,495	4,354,771
Amounts owed by group undertakings	5,502,992	4,449,597
Other debtors	426,352	237,995
Directors' current accounts	4,177,475	2,038,575
Prepayments and accrued income	1,168,590	-
Prepayments	<u>225,648</u>	<u>72,539</u>
	<u>15,917,552</u>	<u>11,153,477</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	3,081,283	2,447,696
Amounts owed to group undertakings	19,956,114	19,005,051
Tax	266,114	1,258,089
Social security and other taxes	158,579	140,658
VAT	323,301	338,502
Other creditors	9,919	10,418
Accrued expenses	<u>175,993</u>	<u>55,712</u>
	<u>23,971,303</u>	<u>23,256,126</u>

All payment terms are agreed with each supplier and the current creditor days are 66 days (2016: 67 days)

Notes to the Financial Statements - continued
for the Year Ended 31 October 2017

16. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Deferred tax	<u>162,066</u>	<u>166,366</u>
		Deferred tax
		£
Balance at 1 November 2016		166,366
Accelerated capital allowances		<u>(4,300)</u>
Balance at 31 October 2017		<u>162,066</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2017	2016
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

18. RESERVES

	Retained earnings
	£
At 1 November 2016	19,750,810
Profit for the year	2,051,565
Dividends	<u>(1,975,000)</u>
At 31 October 2017	<u>19,827,375</u>

19. CAPITAL COMMITMENTS

	2017	2016
	£	£
Contracted but not provided for in the financial statements	<u>17,586</u>	<u>-</u>

20. TRANSACTIONS WITH DIRECTORS

The disclosures of the information is given in a summarised form.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2017

21. RELATED PARTY DISCLOSURES

Related Party Exemption

The company has taken advantage of the exemption granted under FRS102 Section 33 from the requirement to disclose transactions with other members of The Abbey Group as the company is wholly owned within the group and the consolidated financial statements of the group are publicly available.

Other Related Party Transactions

Included in debtors is an amount due from Mrs J M & Mr RS Neal and Mr JS Neal, who are both directors of the company and are the ultimate controlling parties. The loan is as follows:

	Balance brought forward as at 01/11/2016 £	Undrawn Net Salary, Dividends and Capital Introduced £	Drawings £	Balance carried forward as at 31/10/2017 £
Mrs J M and Mr R S Neal	(1,951,545)	1,975,000	(4,129,887)	(4,106,433)
Mr J S Neal	(86,930)	38,660	(22,773)	(71,042)

The maximum outstanding balance due to the company from Mrs J M and Mr R S Neal during the year was £4,106,433.

The maximum outstanding balance due to the company from Mr JS Neal during the year was £86,930.

The loans have no fixed dates for repayment and no credit or debit interest is applied to balances.

22. POST BALANCE SHEET EVENTS

There are no events since the end of the year which require disclosure to the financial statements.

23. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary of The Abbey Group UK Limited, a company incorporated in England. The company is under the ultimate control of Mrs J M Neal and Mr R S Neal who between them own 100% of the share capital of The Abbey Group UK Limited. The group accounts of The Abbey Group UK Limited are available from the Registrar Of Companies.

24. POWER TO AMEND FINANCIAL STATEMENTS

The directors have the power to amend the financial statements after they have been issued.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.