

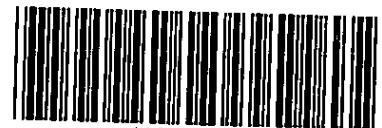
# Burco Dean Appliances Limited

Directors' report and  
financial statements

**Year ended 31 March 2013**

*Registered number 1870098*

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# Burco Dean Appliances Limited

UK 1870098

## Directors' report and financial statements

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# Burco Dean Appliances Limited

UK 1870098

## Directors and other information

### Directors

M Naughton  
S O'Driscoll

### Registered office

Stoney Lane  
Prescot  
Merseyside  
L35 2XW

### Secretary

S O'Driscoll

### Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St Stephen's Green  
Dublin 2

### Solicitors

Gordons  
Riverside West  
Whitehall Road  
Leeds  
LS1 4AW

# Burco Dean Appliances Limited

UK 1870098

## Directors' report

The directors present their annual report together with the audited financial statements of the company for the year ended 31 March 2013

### Principal activities including principal risks and uncertainties

The principal activity of the company is the manufacture and sale of a range of domestic electrical and gas appliances

The company is exposed to a range of risks, the principal risks are as follows

- Product demand – increasingly consumers are more demanding in relation to product functionality and appearance, consequently product lives are becoming shorter,
- General economic risk – the company is exposed to general economic risk, including changes in the economic outlook in its principal market and government changes in industrial, fiscal, monetary or regulatory policies

### Results for the year and state of affairs as at 31 March 2013

The profit for the financial year was £401,000 (2012 £325,000) Shareholders' funds at 31 March 2013 amounted to £3,189,000 (2012 £2,788,000)

### Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities 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 the 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 to that of other employees

### Dividends and retention

No dividends or transfers to reserves are recommended by the directors (2012 £Nil)

### Directors

The directors who served during the year were as follows

M Naughton  
S O'Driscoll

### Charitable contributions

There were no charitable donations for the year ended 31 March 2013 (2012 £Nil)

# Burco Dean Appliances Limited

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## Directors' report *(continued)*

### Post balance sheet events

There have been no significant post balance sheet events that would require disclosure in the financial statements

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

### Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and therefore KPMG, Chartered Accountants, will continue in office

By order of the Board

  
S O'Driscoll  
Director

22 November 2013

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

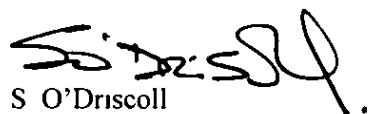
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

On behalf of the board

  
S O'Driscoll  
Director



**KPMG**  
**Chartered Accountants**  
1 Stokes Place  
St. Stephens Green  
Dublin 2  
Ireland

UK 1870098

## Independent auditor's report to the members of Burco Dean Appliances Limited

We have audited the financial statements of Burco Dean Appliances Limited ('the company') for the year ended 31 March 2013 set out on pages 7 to 18 which comprise the profit and loss account, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 Statement of Directors' Responsibilities as set out on page 4, 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### 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 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Independent auditor's report to the members of Burco Dean Appliances Limited  
(continued)

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**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



Roger Gillespie (Senior Statutory Auditor)  
for and on behalf of KPMG, Statutory Auditor  
*Chartered Accountants*  
1 Stokes Place  
St Stephen's Green  
Dublin 2

22 November 2013



# Burco Dean Appliances Limited

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## Statement of accounting policies *for the year ended 31 March 2013*

The following accounting policies have been applied consistently throughout the year and the preceding year

### **Basis of preparation**

The financial statements have been prepared in sterling in accordance with applicable accounting principles under the historical cost convention and comply with the financial reporting standards of the Financial Reporting Council, as promulgated by the Institute of Chartered Accountants in England and Wales

### **Research and development**

Research and development costs are written off as incurred

### **Tangible assets**

Tangible assets are shown at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset on a straight-line basis over its expected useful life as follows

Freehold buildings	25 years
Plant and equipment	3 – 8 years

Freehold land is not depreciated

### **Stocks**

Stocks are stated at the lower of first-in, first-out cost and net realisable value. Cost includes all expenditure incurred in bringing each product to its present location and condition and includes an appropriate allocation of manufacturing overheads. Net realisable value is based on estimated normal selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

### **Turnover**

Turnover represents the invoiced value of goods sold to customers less VAT, returns and allowances and is recognised on shipment of the related goods.

### **Taxation**

Current tax is provided on taxable profits at the current rate. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

## Statement of accounting policies *(continued)*

### **Taxation *(continued)***

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is discounted at an appropriate rate.

### **Foreign currency**

Transactions denominated in foreign currencies are recorded in sterling at actual exchange rates as at the date of the transaction or, where appropriate, at the rate of exchange in a related forward exchange contract. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rate of exchange in a related forward exchange contract. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

### **Cash flow statement**

The company is a wholly owned subsidiary undertaking of Glen Electric Limited, a company that produces publicly available accounts in which the results of the company are included. Consequently the company is exempt under Financial Reporting Standard Number 1 "Cash Flow Statements" from publishing a cash flow statement.

### **Pension costs**

The company provides pensions to certain of its employees through contributions to separately administered defined benefit and defined contribution schemes.

The assets of the defined benefit scheme are held independently of the group's assets by trustees. The company is not the sponsoring employer of the scheme. The cost of providing pensions to employees is charged to the profit and loss as the sponsoring employer requests based on funding requirements as are determined by an independent actuary by reference to a funding plan and funding assumptions. These amounts are charged to the profit and loss account in the year in which they arise.

The amount charged to the profit and loss account in respect of defined contribution schemes is the contributions payable for the year. Any difference between amounts charged to the profit and loss account and contributions paid to pension schemes is included in debtors or creditors in the balance sheet.

# Burco Dean Appliances Limited

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## Profit and loss account for the year ended 31 March 2013

	<i>Note</i>	<b>2013</b> <b>£'000</b>	<b>2012</b> <b>£'000</b>
<b>Turnover</b>	<i>2</i>	4,118	3,458
Cost of sales		(2,696)	(2,228)
		<hr/>	<hr/>
<b>Gross profit</b>		1,422	1,230
Other operating expenses	<i>3</i>	(891)	(791)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	<i>4</i>	531	439
Tax on profit on ordinary activities	<i>6</i>	(130)	(114)
		<hr/>	<hr/>
<b>Profit for the financial year</b>	<i>13</i>	401	325
		<hr/>	<hr/>

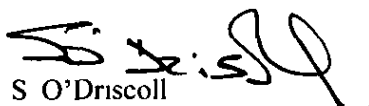
All profits arise from continuing activities

The accompanying notes form an integral part of this profit and loss account

### Statement of total recognised gains and losses

No statement of total recognised gains and losses has been presented, as there have been no recognised gains or losses other than the results for the financial years shown above

On behalf of the board

  
S O'Driscoll  
Director

# Burco Dean Appliances Limited

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## Balance sheet at 31 March 2013

	<i>Note</i>	<b>2013 £'000</b>	<b>2012 £'000</b>
<b>Fixed assets</b>			
Tangible assets	7	65	86
		<hr/>	<hr/>
<b>Current assets</b>			
Stocks	8	498	712
Debtors	9	3,043	2,266
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	10	3,541 (417)	2,978 (276)
		<hr/>	<hr/>
<b>Net current assets</b>		3,124	2,702
		<hr/>	<hr/>
<b>Net assets</b>		3,189	2,788
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Capital contribution		1,483	1,483
Profit and loss account	13	1,706	1,305
		<hr/>	<hr/>
<b>Shareholders' funds</b>	13	3,189	2,788
		<hr/>	<hr/>

The accompanying notes form an integral part of this balance sheet

On behalf of the board

  
S O'Driscoll  
Director

# Burco Dean Appliances Limited

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## Notes

*forming part of the financial statements*

### 1 Ownership and operations

The company is a wholly owned subsidiary undertaking of Glen Electric Limited, a company registered in Northern Ireland. The ultimate parent company and controlling party is Glen Dimplex a company incorporated in the Republic of Ireland.

The largest group in which the results of Burco Dean Appliances Limited are consolidated is that headed by Glen Dimplex and the smallest group is that headed by Glen Electric Limited. The consolidated accounts of Glen Electric Limited are available to the public and may be obtained from the Companies Office, Belfast.

### 2 Turnover

All turnover relates to the sale of domestic electrical goods. Turnover by geographical location is as follows:

	2013 £'000	2012 £'000
United Kingdom	3,698	3,087
Rest of European Union	170	125
Other countries	250	246
	<hr/>	<hr/>
	4,118	3,458
	<hr/>	<hr/>

### 3 Other operating expenses

	2013 £'000	2012 £'000
Administration expenses	121	91
Distribution costs	660	576
Research and development costs	88	91
Other	22	33
	<hr/>	<hr/>
	891	791
	<hr/>	<hr/>

# Burco Dean Appliances Limited

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## Notes (continued)

### 4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	2013 £'000	2012 £'000
Depreciation of tangible assets	21	22
Auditor's remuneration for audit services	5	5
Staff costs (Note 5)	374	312
	<u>          </u>	<u>          </u>

### 5 Staff costs

Particulars of employees (including executive directors) are shown below

	2013 £'000	2012 £'000
<i>Employee costs during the year amounted to</i>		
Wages and salaries	336	248
Social security costs	32	29
Pension costs	6	35
	<u>          </u>	<u>          </u>
	374	312
	<u>          </u>	<u>          </u>

The average monthly number of persons employed by the company during the year was as follows

	2013	2012
Production	11	7
Distribution and sales	3	4
	<u>          </u>	<u>          </u>
	14	11
	<u>          </u>	<u>          </u>

# Burco Dean Appliances Limited

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Notes *(continued)*

## 6 Tax on profit on ordinary activities

	2013 £'000	2012 £'000
Corporation tax charge	128	111
Over provision in prior year	(1)	-
	<hr/>	<hr/>
Current tax charge for the year	127	111
Deferred tax (Note 11)	3	3
	<hr/>	<hr/>
Total tax charge for the year	130	114
	<hr/>	<hr/>

The difference between the total current taxation shown above and the amount calculated by applying the standard rate of corporation tax to the profit before tax is as follows

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	531	439
	<hr/>	<hr/>
Tax on profit on ordinary activities at standard corporation tax rate of 24% (2012 26%)	127	114
<i>Effects of</i>		
Depreciation/capital allowances	(1)	(3)
Disallowed expenses	2	-
Over provision in prior year	(1)	-
	<hr/>	<hr/>
Current tax charge for the year	127	111
	<hr/>	<hr/>

### *Factors that may affect future tax charges:*

With effect from 1 April 2014, the UK corporation tax rate will reduce from 23% to 21%. The rate is expected to reduce by a further 1% to 20% by 1 April 2015.

# Burco Dean Appliances Limited

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## Notes (continued)

### 7 Tangible assets

	Freehold land and buildings £'000	Plant & equipment £'000	Total £'000
<b>Cost</b>			
At beginning and end of year	412	394	806
<b>Depreciation</b>			
At beginning of year	342	378	720
Charge	9	12	21
<b>At end of year</b>	<b>351</b>	<b>390</b>	<b>741</b>
<b>Net book values</b>			
At 31 March 2012	70	16	86
<b>At 31 March 2013</b>	<b>61</b>	<b>4</b>	<b>65</b>

### 8 Stocks

	2013 £'000	2012 £'000
Finished goods	498	712
	498	712

There are no significant differences between the replacement cost of stocks and their balance sheet amounts



# Burco Dean Appliances Limited

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## Notes (continued)

### 9 Debtors

	2013 £'000	2012 £'000
Amounts owed by group undertakings (a)	3,019	2,239
Deferred tax (Note 11)	24	27
	<hr/>	<hr/>
	3,043	2,266
	<hr/>	<hr/>

a) The amounts due from group undertakings are unsecured, interest free and have no fixed repayment terms

### 10 Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Accruals and deferred income	63	52
Corporation tax	68	47
Amounts owed to group undertakings (a)	286	177
	<hr/>	<hr/>
	417	276
	<hr/>	<hr/>

a) The amounts due to group undertakings are unsecured, interest free and have no fixed repayment terms

### 11 Deferred tax

	2013 £'000	2012 £'000
Balance at beginning of year	27	30
Charge for the year (Note 6)	(3)	(3)
	<hr/>	<hr/>
Balance at end of year	24	27
	<hr/>	<hr/>

The deferred tax asset at 31 March 2013 of £24,000 (2012 £27,000) relates to capital allowances

# Burco Dean Appliances Limited

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## Notes (continued)

### 12 Called up share capital

	2013 £	2012 £
<i>Authorised:</i>		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<i>Allotted, called up and fully paid:</i>		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

### 13 Reconciliation of movement in profit and loss account and shareholders' funds

#### (i) Profit and loss account

	2013 £'000	2012 £'000
Balance at beginning of year	1,305	980
Profit for the financial year	401	325
	<hr/>	<hr/>
Balance at end of year	1,706	1,305
	<hr/>	<hr/>

#### (ii) Shareholders' funds

	2013 £'000	2012 £'000
Balance at beginning of year	2,788	2,463
Profit for the financial year	401	325
	<hr/>	<hr/>
Balance at end of year	3,189	2,788
	<hr/>	<hr/>

### 14 Contingencies

The company has guaranteed borrowings of other members of the Glen Dimplex Group by way of fixed and floating charges over the assets of the company and has given a pledge not to create any security ranking in priority to the present guarantees

## Notes (continued)

### 15 Pension arrangements

Certain company employees are members of either an externally funded defined benefit scheme or one of the company's defined contribution pension schemes. On 28 February 2013 the Glen Dimplex Group defined benefit pension scheme was closed to further accrual.

Some of the company's employees together with employees of other Glen Dimplex group companies participate in the Glen Dimplex Group Pension Scheme, the assets of which are held separately from those of the company, and are vested in trustees for the benefit of employees and their dependants. The contributions are determined by qualified actuaries on the basis of periodic valuations using the projected unit method.

The service cost to the company for this scheme amounted to £Nil for the year (2012 £Nil). The pension charge for payments to defined contribution schemes for the year was £6,000 (2012 £35,000).

As at the balance sheet date, the defined benefit scheme shows a net deficit of £17,295,000 based on valuations of the scheme updated to that date by qualified independent actuaries. The market value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, were £26,027,000, the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were £48,488,000, and the related deferred tax asset was £5,166,000. The company's share of this deficit is not readily identifiable on a consistent and reasonable basis and accordingly, as allowed under FRS 17 Retirement Benefits, the company accounts for its contributions to the scheme as if it were a defined contribution pension scheme.

The most recent actuarial valuation of the scheme was at 5 April 2009. Particulars of these valuations and the updated valuations as at 31 March 2013 referred to above can be found in the consolidated financial statements of the parent company, Glen Electric Limited.

The company is one of a number of participating employers in the scheme and the implications of surpluses or deficits are considered on a Group-wide basis. The contribution rate for the year ended 31 March 2013 was 26.9% of pensionable earnings. Current employees of the company represented c. 0% of the total employees entitled to benefit under the scheme.

### 16 Related party transactions

As a subsidiary undertaking of Glen Electric Limited, the company has taken advantage of the exemption in Financial Reporting Standard Number 8 "Related Party Disclosures" not to disclose transactions with other members of the group headed by Glen Electric Limited.

There are no further related party transactions that require disclosure.

### 17 Approval of financial statements

The financial statements were approved by the directors on 22 November 2013.