

Company Registration No. 02028134 (England and Wales)

**ALDRIDGE FABRICATIONS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

WEDNESDAY



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# **ALDRIDGE FABRICATIONS LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D W Neville R Jackson M Carruthers
<b>Secretary</b>	D T Whitehouse
<b>Company number</b>	02028134
<b>Registered office</b>	Mount Road Burntwood Staffordshire WS7 OAX
<b>Auditors</b>	Edwards Harmony House 34 High Street Aldridge West Midlands WS9 8LZ

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# **ALDRIDGE FABRICATIONS LIMITED**

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# **ALDRIDGE FABRICATIONS LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 30 JUNE 2011**

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The directors present their report and financial statements for the year ended 30 June 2011

### **Principal activities and review of the business**

The company's principal activity during the year was the manufacture of steel fabrications and material handling equipment and general engineering

The directors are satisfied with the performance of the company during the year and of the financial position of the company at the end of the year

Turnover has increased by 9.4% on the previous year. Gross profit as a percentage of turnover has remained largely the same as the previous year, down slightly from 13.5% in 2010 to 13.4% in 2011.

The company enters 2012 with orders on its books and the year has started positively. As a result the directors are confident with regards to the future financial performance of the business.

There have been no events since the balance sheet date which materially effect the position of the company.

As in any trading organisation, the directors acknowledge that as well as rewards, there are risks and uncertainties which are constantly monitored. The company is dependent upon the efficiency of its employees in satisfying the customers' needs and in the identification and consequent reduction of risks in the work undertaken. Systems are in place to ensure effective monitoring of these issues.

### **Results and dividends**

The results for the year are set out on page 5.

Dividends of £23,977 have been paid during the year (2010 - £23,976).

### **Directors**

The following directors have held office since 1 July 2010:

D W Neville  
R Jackson  
M Carruthers

### **Financial instruments**

The company holds financial instruments to finance its operations and manages risks arising from these operations and its sources of finance in accordance with its accounting policies.

In addition, various financial instruments such as trade debtors and trade creditors arise directly from the company's operations. The company performs credit checks for all significant customers to minimise bad debt risk.

Operations and working capital requirements are funded principally out of short term banking facilities and retained profits.

### **Auditors**

The auditors, Edwards, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

# **ALDRIDGE FABRICATIONS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2011**

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### **Statement of directors' responsibilities**

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 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.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



D W Neville

Director

18 November 2011

# **ALDRIDGE FABRICATIONS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ALDRIDGE FABRICATIONS LIMITED**

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We have audited the financial statements of Aldridge Fabrications Limited for the year ended 30 June 2011 set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

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's 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 30 June 2011 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.

#### **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.

# **ALDRIDGE FABRICATIONS LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

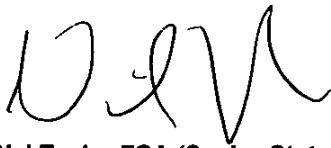
### **TO THE MEMBERS OF ALDRIDGE FABRICATIONS LIMITED**

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#### **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



**N J Taylor FCA (Senior Statutory Auditor)**  
**for and on behalf of Edwards**

22 November 2011

**Chartered Accountants**  
**Statutory Auditor**

Harmony House  
34 High Street  
Aldridge  
West Midlands  
WS9 8LZ

# ALDRIDGE FABRICATIONS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 £	2010 £
Turnover	2	18,993,761	17,356,107
Cost of sales		(16,449,921)	(15,011,569)
Gross profit		2,543,840	2,344,538
Distribution costs		(937,911)	(752,732)
Administrative expenses		(1,416,003)	(1,364,193)
Operating profit	3	189,926	227,613
Other interest receivable and similar income	6	-	975
Interest payable and similar charges	7	(28,673)	(36,490)
Profit on ordinary activities before taxation		161,253	192,098
Tax on profit on ordinary activities	8	(16,397)	75,148
Profit for the year	18	144,856	267,246

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

### Note of historical cost profits and losses

	2011 £	2010 £
Reported profit on ordinary activities before taxation	161,253	192,098
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	2,313	2,313
Historical cost profit on ordinary activities before taxation	163,566	194,411
Historical cost profit for the year retained after taxation, extraordinary items and dividends	123,192	245,583



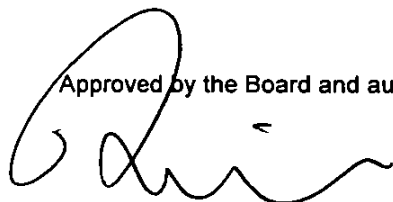
# ALDRIDGE FABRICATIONS LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2011

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Tangible assets	10		3,109,469		3,197,952
<b>Current assets</b>					
Stocks	11	2,560,587		3,765,323	
Debtors	12	3,525,240		1,864,385	
Cash at bank and in hand		165,961		241,802	
		<u>6,251,788</u>		<u>5,871,510</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(3,929,713)</u>		<u>(3,726,400)</u>	
<b>Net current assets</b>			<u>2,322,075</u>		<u>2,145,110</u>
<b>Total assets less current liabilities</b>			5,431,544		5,343,062
<b>Creditors: amounts falling due after more than one year</b>	14		-		(27,481)
<b>Provisions for liabilities</b>	15		<u>(390,292)</u>		<u>(395,208)</u>
			<u>5,041,252</u>		<u>4,920,373</u>
<b>Capital and reserves</b>					
Called up share capital	17		1,000,000		1,000,000
Revaluation reserve	18		212,074		214,387
Other reserves	18		60,567		61,596
Profit and loss account	18		<u>3,768,611</u>		<u>3,644,390</u>
<b>Shareholders' funds</b>	19		<u>5,041,252</u>		<u>4,920,373</u>

Approved by the Board and authorised for issue on 18 November 2011



D W Neville  
Director

Company Registration No. 02028134

# **ALDRIDGE FABRICATIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2011**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

The company meets its day-to-day working capital requirements through positive cash balances and payments received on account of future orders. Bank facilities are also available, if needed, that are due for renewal in June 2012

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt over the ability of the company to continue as a going concern or its ability to continue within the current funding arrangements

The company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by A F Holdings Limited and the company is included in consolidated financial statements

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Leasehold	1% - 10% straight line
Plant and machinery	10% - 25% reducing balance

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account

#### **1.5 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

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### 1 Accounting policies (continued)

#### 1.6 Stock and work in progress

Stocks are valued at the lower of cost and net realisable value with due allowance for any obsolete or slow moving items

Work in progress and finished goods include appropriate overhead expenses. Payments on account relating to work in progress are deducted from work in progress to the extent of the net cost of each contract

#### 1.7 Pensions

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable

#### 1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

### 2 Turnover

Turnover is wholly attributable to the principal activity of the company

The analysis of turnover by geographical market has not been provided as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the company

3 Operating profit	2011 £	2010 £
Operating profit is stated after charging		
Depreciation of tangible assets	259,530	266,452
Operating lease rentals		
- Plant and machinery	92,846	103,902
- Other assets	429,362	458,859
Auditors' remuneration (including expenses and benefits in kind)	12,000	12,000

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

### 4 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Production	169	142
Selling and distribution	8	6
Administration	9	9
	<u>186</u>	<u>157</u>

#### Employment costs

	2011 £	2010 £
Wages and salaries	5,912,729	4,804,545
Social security costs	445,303	379,646
Other pension costs	27,076	21,283
	<u>6,385,108</u>	<u>5,205,474</u>

### 5 Directors' remuneration

	2011 £	2010 £
Remuneration for qualifying services	171,887	170,629
Company pension contributions to defined contribution schemes	4,029	7,758
	<u>175,916</u>	<u>178,387</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2010 - 2)

### 6 Interest receivable

	2011 £	2010 £
Bank interest	-	975
	<u>-</u>	<u>975</u>

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

<b>7</b>	<b>Interest payable</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	4,753	-
	Hire purchase interest	23,920	36,490
		<u>28,673</u>	<u>36,490</u>
<b>8</b>	<b>Taxation</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	21,313	24,994
	<b>Total current tax</b>	<u>21,313</u>	<u>24,994</u>
	<b>Deferred tax</b>		
	Deferred tax charge credit current year	(4,916)	(100,142)
		<u>16,397</u>	<u>(75,148)</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>161,253</u>	<u>192,098</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20 00% (2010 - 21 00%)	<u>32,251</u>	<u>40,341</u>
	Effects of Capital allowances	(10,938)	(15,347)
		<u>(10,938)</u>	<u>(15,347)</u>
	<b>Current tax charge for the year</b>	<u>21,313</u>	<u>24,994</u>
<b>9</b>	<b>Dividends</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Ordinary interim paid	<u>23,977</u>	<u>23,976</u>

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

### 10 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 July 2010	873,677	5,061,637	5,935,314
Additions	-	171,047	171,047
At 30 June 2011	873,677	5,232,684	6,106,361
<b>Depreciation</b>			
At 1 July 2010	94,441	2,642,921	2,737,362
Charge for the year	11,248	248,282	259,530
At 30 June 2011	105,689	2,891,203	2,996,892
<b>Net book value</b>			
At 30 June 2011	767,988	2,341,481	3,109,469
At 30 June 2010	779,236	2,418,716	3,197,952

The company's long leasehold land and buildings were revalued on an open market basis in March 1992 for continuation in existing use. The valuation has not been updated as the company has taken advantage of the transitional arrangements of Financial Reporting Standard 15 (Tangible Fixed Assets) to retain the existing book values including those of its unimpaired tangible fixed assets which were previously stated at valuation.

#### Comparable historical cost for the land and buildings included at valuation:

	£
<b>Cost</b>	
At 1 July 2010 & at 30 June 2011	655,273
<b>Depreciation based on cost</b>	
At 1 July 2010	90,320
Charge for the year	8,935
At 30 June 2011	99,255
<b>Net book value</b>	
At 30 June 2011	556,018
At 30 June 2010	564,953

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2011**

### 10 Tangible fixed assets

(continued)

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £
<b>Net book values</b>	
At 30 June 2011	244,367
At 30 June 2010	833,552
<b>Depreciation charge for the year</b>	
At 30 June 2011	27,152
At 30 June 2010	92,617

### 11 Stocks and work in progress

	2011 £	2010 £
Raw materials and consumables	901,860	845,944
Work in progress	1,658,727	2,919,379
	2,560,587	3,765,323

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

12 Debtors	2011 £	2010 £
Trade debtors	2,702,425	1,008,430
Amounts owed by group undertakings	489,242	489,242
Other debtors	707	78,548
Prepayments and accrued income	332,866	288,165
	<u>3,525,240</u>	<u>1,864,385</u>

Amounts falling due after more than one year and included in the debtors above are

	2011 £	2010 £
Amounts owed by group undertakings	<u>489,242</u>	<u>489,242</u>

13 Creditors amounts falling due within one year	2011 £	2010 £
Net obligations under hire purchase contracts	18,615	156,934
Trade creditors	3,095,233	1,938,386
Corporation tax	21,121	24,802
Other taxes and social security costs	333,685	118,506
Other creditors	112,628	1,359,153
Accruals and deferred income	348,431	128,619
	<u>3,929,713</u>	<u>3,726,400</u>

Other creditors include £113,000 (2010 - £1,261,066) in respect of advance payments on account made by certain customers in respect of orders placed to secure favourable raw materials prices



# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

14 Creditors, amounts falling due after more than one year	2011 £	2010 £
Net obligations under hire purchase contracts	-	27,481
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	18,615	156,934
Repayable between one and five years	-	27,481
	18,615	184,415
Included in liabilities falling due within one year	(18,615)	(156,934)
	-	27,481

### 15 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2010	395,208
Profit and loss account	(4,916)
Balance at 30 June 2011	390,292

The deferred tax liability is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	390,292	395,208

### 16 Pension and other post-retirement benefit commitments Defined contribution

	2011 £	2010 £
Contributions payable by the company for the year	27,076	21,283

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

17 Share capital	2011 £	2010 £
Allotted, called up and fully paid 1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000

18 Statement of movements on reserves	Revaluation reserve £	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2010	214,387	61,596	3,644,390
Profit for the year	-	-	144,856
Transfer from revaluation reserve to profit and loss account	(2,313)	-	2,313
Dividends paid	-	-	(23,977)
Movement during the year	-	(1,029)	1,029
Balance at 30 June 2011	212,074	60,567	3,768,611

Other reserves relate to negative goodwill arising prior to the introduction of FRS 10

19 Reconciliation of movements in shareholders' funds	2011 £	2010 £
Profit for the financial year	144,856	267,246
Dividends	(23,977)	(23,976)
	120,879	243,270
Net addition to shareholders' funds	120,879	243,270
Opening shareholders' funds	4,920,373	4,677,103
Closing shareholders' funds	5,041,252	4,920,373

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

### 20 Contingent liabilities

The company has guaranteed the bank indebtedness of its group undertakings and has provided its bankers with a fixed and floating charge over its long leasehold properties and book debts, securing the indebtedness of those undertakings. The net contingent liability at 30 June 2011 amounted to £Nil (2010 - £Nil).

### 21 Financial commitments

At 30 June 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2012

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Operating leases which expire				
Within one year	6,000	-	8,473	10,747
Between two and five years	345,238	204,466	75,635	56,944
In over five years	48,228	238,228	-	-
	<u>399,466</u>	<u>442,694</u>	<u>84,108</u>	<u>67,691</u>

### 22 Control

The company is a subsidiary of A F Holdings Limited which is the ultimate parent company incorporated in England.

The largest and smallest group in which the results of the company are consolidated is that headed by A F Holdings Limited. The consolidated financial statements of this company are available to the public and may be obtained from Companies' House. No other group financial statements include the results of the company.

A F Holdings Limited is controlled by its directors.

### 23 Related party transactions

The company is a wholly owned subsidiary of A F Holdings Limited and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with A F Holdings Limited or other wholly owned subsidiaries within the group.

Mr D W Neville and Mr R Jackson are directors of the company and are also shareholders and directors of the ultimate parent company, A F Holdings Limited.

Included in other creditors is an amount of £6,907 (2010 - £6,907) due to Mr R Jackson and his family.

During the year, the company provided an interest free loan to Mr D W Neville to the amount of £1,431, which was outstanding at 30 June 2011 (2010 - £92,461, balance due to Mr D W Neville).