

Company Registration No 02028134 (England and Wales)

**ALDRIDGE FABRICATIONS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

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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 2013**

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The directors present their report and financial statements for the year ended 30 June 2013

#### **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 decreased by 18.1% on the previous year, largely due to the mix of sales activity that the company has undertaken. Gross profit as a percentage of turnover has increased during the year, up to 17% compared with 13.4% in 2012.

The company enters 2013/2014 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 £23,975 have been paid during the year (2012 - £23,977).

#### **Directors**

The following directors have held office since 1 July 2012:

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 2013**

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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

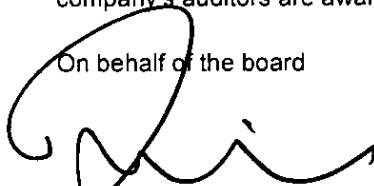
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

22 January 2014

# **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 2013 set out on pages 5 to 15. 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 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 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 Directors' 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 2013 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)**

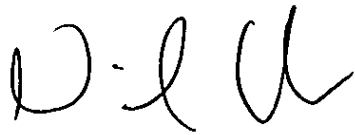
### **TO THE MEMBERS OF ALDRIDGE FABRICATIONS LIMITED**

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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



**Neil Taylor BA FCA (Senior Statutory Auditor)**  
**for and on behalf of Edwards**

22 January 2014

**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 2013

	Notes	2013 £	2012 £
Turnover	2	17,280,609	21,095,632
Cost of sales		(14,335,741)	(18,261,208)
Gross profit		2,944,868	2,834,424
Distribution costs		(1,165,834)	(1,113,795)
Administrative expenses		(1,480,301)	(1,418,167)
Operating profit	3	298,733	302,462
Interest payable and similar charges	6	(1,262)	(5,927)
Profit on ordinary activities before taxation		297,471	296,535
Tax on profit on ordinary activities	7	(66,983)	(61,556)
Profit for the year	16	230,488	234,979

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



# ALDRIDGE FABRICATIONS LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2013

	Notes	2013 £	£	2012 £	£
<b>Fixed assets</b>					
Tangible assets	9	2,999,201		3,122,653	
<b>Current assets</b>					
Stocks	10	1,764,638		1,822,388	
Debtors	11	3,418,976		3,497,051	
Cash at bank and in hand		1,271,837		641,531	
		<u>6,455,451</u>		<u>5,960,970</u>	
<b>Creditors amounts falling due within one year</b>	12	<u>(3,597,594)</u>		<u>(3,433,078)</u>	
<b>Net current assets</b>		<u>2,857,857</u>		<u>2,527,892</u>	
<b>Total assets less current liabilities</b>		<u>5,857,058</u>		<u>5,650,545</u>	
<b>Provisions for liabilities</b>	13	<u>(398,291)</u>		<u>(398,291)</u>	
		<u>5,458,767</u>		<u>5,252,254</u>	
<b>Capital and reserves</b>					
Called up share capital	15	1,000,000		1,000,000	
Revaluation reserve	16	207,448		209,761	
Profit and loss account	16	4,251,319		4,042,493	
<b>Shareholders' funds</b>	17	<u>5,458,767</u>		<u>5,252,254</u>	

Approved by the Board and authorised for issue on 22 January 2014

D W Neville  
Director

Company Registration No. 02028134

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

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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 2014.

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 2013

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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	2013 £	2012 £
Operating profit is stated after charging		
Depreciation of tangible assets	250,587	259,898
Loss on disposal of tangible assets	44,918	-
Operating lease rentals		
- Plant and machinery	118,800	125,934
- Other assets	387,133	415,457
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 2013

### 4 Employees

#### Number of employees

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

	2013 Number	2012 Number
Production	173	175
Selling and distribution	9	9
Administration	10	10
	<u>192</u>	<u>194</u>

#### Employment costs

	2013 £	2012 £
Wages and salaries	6,014,431	6,161,337
Social security costs	476,293	441,235
Other pension costs	17,554	15,100
	<u>6,508,278</u>	<u>6,617,672</u>

### 5 Directors' remuneration

	2013 £	2012 £
Remuneration for qualifying services	171,130	169,324
Company pension contributions to defined contribution schemes	2,313	2,647
	<u>173,443</u>	<u>171,971</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2012 - 2)

### 6 Interest payable

	2013 £	2012 £
On bank loans and overdrafts	1,262	2,811
Hire purchase interest	-	3,116
	<u>1,262</u>	<u>5,927</u>

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

7	Taxation	2013 £	2012 £
	<b>Domestic current year tax</b>		
	U K corporation tax	66,983	53,557
	<b>Total current tax</b>	66,983	53,557
	<b>Deferred tax</b>		
	Deferred tax charge credit current year	-	7,999
		66,983	61,556
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	297,471	296,535
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00% (2012 - 20.00%)	71,393	59,307
	<b>Effects of</b>		
	Non deductible expenses	15,674	-
	Capital allowances in excess of depreciation	(8,279)	(5,750)
	Marginal relief	(10,987)	-
	Change in tax rate	(818)	-
		(4,410)	(5,750)
	<b>Current tax charge for the year</b>	66,983	53,557
8	<b>Dividends</b>	2013 £	2012 £
	Ordinary interim paid	23,975	23,977

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

### 9 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 July 2012	873,677	5,505,766	6,379,443
Additions	-	172,053	172,053
Disposals	-	(72,788)	(72,788)
At 30 June 2013	873,677	5,605,031	6,478,708
<b>Depreciation</b>			
At 1 July 2012	116,937	3,139,853	3,256,790
On disposals	-	(27,870)	(27,870)
Charge for the year	11,248	239,339	250,587
At 30 June 2013	128,185	3,351,322	3,479,507
<b>Net book value</b>			
At 30 June 2013	745,492	2,253,709	2,999,201
At 30 June 2012	756,740	2,365,913	3,122,653

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 2012 & at 30 June 2013	655,273
<b>Depreciation based on cost</b>	
At 1 July 2012	108,190
Charge for the year	8,935
At 30 June 2013	117,125
<b>Net book value</b>	
At 30 June 2013	538,148
At 30 June 2012	547,083

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

10 Stocks and work in progress	2013 £	2012 £
Raw materials and consumables	713,667	867,823
Work in progress	1,050,971	954,565
	<u>1,764,638</u>	<u>1,822,388</u>

11 Debtors	2013 £	2012 £
Trade debtors	2,676,392	2,680,246
Amounts owed by parent and fellow subsidiary undertakings	489,242	489,242
Other debtors	939	1,111
Prepayments and accrued income	252,403	326,452
	<u>3,418,976</u>	<u>3,497,051</u>

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

	2013 £	2012 £
Amounts owed by group undertakings	<u>489,242</u>	<u>489,242</u>

12 Creditors amounts falling due within one year	2013 £	2012 £
Payments received on account	98,010	-
Trade creditors	2,588,691	2,915,097
Corporation tax	66,790	53,364
Other taxes and social security costs	500,535	351,162
Other creditors	4,985	2,602
Accruals and deferred income	338,583	110,853
	<u>3,597,594</u>	<u>3,433,078</u>

# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

### 13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2012 & at 30 June 2013	<u>398,291</u>

The deferred tax liability is made up as follows

	2013 £	2012 £
Accelerated capital allowances	<u>398,291</u>	<u>398,291</u>

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

	2013 £	2012 £
Contributions payable by the company for the year	<u>17,554</u>	<u>15,100</u>

### 15 Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

### 16 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 July 2012	209,761	4,042,493
Profit for the year	-	230,488
Transfer from revaluation reserve to profit and loss account	(2,313)	2,313
Dividends paid	-	(23,975)
Balance at 30 June 2013	<u>207,448</u>	<u>4,251,319</u>



# ALDRIDGE FABRICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

17 Reconciliation of movements in shareholders' funds	2013 £	2012 £
Profit for the financial year	230,488	234,979
Dividends	(23,975)	(23,977)
	<u>206,513</u>	<u>211,002</u>
Movements on other reserves	-	(60,567)
	<u>206,513</u>	<u>150,435</u>
Net addition to shareholders' funds	5,252,254	5,101,819
Opening shareholders' funds	<u>5,458,767</u>	<u>5,252,254</u>
Closing shareholders' funds	<u>5,458,767</u>	<u>5,252,254</u>

## 18 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 2013 amounted to £Nil (2012 - £Nil).

## 19 Financial commitments

At 30 June 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2014

	Land and buildings		Other	
	2013 £	2012 £	2013 £	2012 £
Operating leases which expire				
Within one year	30,000	57,383	6,592	8,592
Between two and five years	300,319	318,245	60,651	67,043
In over five years	900	12,900	-	-
	<u>331,219</u>	<u>388,528</u>	<u>67,243</u>	<u>75,635</u>

# **ALDRIDGE FABRICATIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2013**

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### **20 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 the company's registered office. No other group financial statements include the results of the company.

A F Holdings Limited is controlled by its directors.

### **21 Related party relationships and 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 (2012 - £6,907) due to Mr R Jackson and his family.

During the year, an interest free loan to Mr D W Neville to the amount of £1,431 was repaid to the company. This loan had been outstanding at 30 June 2012.