

Company Registration No. 2365489

Abbeychart Limited

Annual Report and Financial Statements

30 September 2013

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Abbeychart Limited

Annual Report and Financial statements

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Abbeychart Limited
Officers and Professional Advisers

Directors

I Henderson
S P Mead
M J Taylor

Secretary

S P Mead

Registered Office

The Wharf
Abbey Mill Business Park
Lower Eashing
Godalming
Surrey
GU7 2QN

Auditor

Deloitte LLP
Chartered Accountants
Bristol

Directors' Report

The Directors present their annual report and the audited financial statements of the company for the year ended 30 September 2013. The comparatives relate to the 18 months ended 30 September 2012.

Going Concern

On 30 September 2013 the company transferred its trade and assets to Hawco Limited, a group company, and has not traded since that date. The directors have therefore prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

Dividends

An interim dividend per ordinary share of £44,440 (2012: £9,200), amounting to £4,440,148 (2012: £920,000) was paid during the period. No final dividend is proposed (2012: £nil).

Directors

The Directors during the period and up to the date of this report were as follows

I Henderson

S P Mead

M J Taylor (appointed 16 January 2014)

G J Bennett (resigned 6 March 2014)

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



S P Mead
Secretary

18th March 2014

Strategic Report

Principal activity

The principal activity of the company during the period was the distribution of components used in the vending and fluid handling industries. On 30 September 2013, the trade and assets of the company were sold to Hawco Limited, as detailed in note 15.

Business review

The company is managed as part of an overall group of companies whose ultimate parent company is Diploma PLC.

The principal risks and uncertainties of the company are integrated with the principal risks and uncertainties of the Group and are not managed separately. In addition, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for the understanding of the development, performance or position of the company, as the company is managed by the Group on a sector basis.

The matters required to be discussed in the Business Review, which include the key performance indicators and principal risks and uncertainties, are set out in the Annual Report & Accounts of Diploma PLC on pages 16 to 35. A copy of this is available on the website at www.diplomapl.com or can be obtained from the Group Company Secretary, Diploma PLC, 12 Charterhouse Square, London EC1M 6AX



S P Mead
Secretary

18th March 2014

Directors' Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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

Independent auditor's report to the members of Abbeychart Limited

We have audited the financial statements of Abbeychart Limited for the year ended 30 September 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. 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 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 Directors' Responsibilities Statement, 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Emphasis of matter – financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

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 September 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.

**Independent auditor's report to the members of
Abbeychart Limited**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and Strategic 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.

M.R. Cheetham

Matthew Cheetham (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Bristol, United Kingdom
21 March 2014

Abbeychart Limited
Profit and loss account
Year ended 30 September 2013

		Year ended 30 September 2013	18 months ended 30 September 2012
	Notes	£	£
Turnover	2	6,753,706	10,052,718
Cost of sales		(4,629,519)	(7,230,676)
Gross profit		2,124,187	2,822,042
Distribution and administrative expenses		(1,378,313)	(2,839,060)
Operating profit/(loss)	3	745,874	(17,018)
Profit on sale of trade and assets	15	2,327,734	-
Profit/(loss) on ordinary activities before taxation		3,073,608	(17,018)
Tax on profit/(loss) on ordinary activities	5	(175,113)	(2,264)
Profit/(loss) for the financial period	14	2,898,495	(19,282)

All results relate to discontinued activities

There are no differences between the profit/(loss) for the financial year stated above and their historical cost equivalents.

The company had no gains or losses other than those included in the profits/(losses) above. Therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 8-16 form part of these financial statements.

Abbeychart Limited
Balance sheet
30 September 2013

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	7	-	103,732
Current assets			
Stocks	8	-	1,078,311
Debtors	9	100	1,442,894
Cash at bank and in hand	10	-	166,778
		<hr/>	<hr/>
		-	2,687,983
Creditors: amounts falling due within one year	11	-	(1,249,962)
		<hr/>	<hr/>
Net current assets		-	1,438,021
		<hr/>	<hr/>
Net assets		100	1,541,753
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account	14	-	1,541,653
		<hr/>	<hr/>
Total shareholders' funds	16	100	1,541,753
		<hr/>	<hr/>

The financial statements of Abbeychart Limited, registration number 2365489, were approved by the Board of Directors and authorised for issue on 18th March 2014

Signed on behalf of the Board of Directors



S P Mead
Director

Abbeychart Limited
Notes to the financial statements
Year ended 30 September 2013

1. Accounting policies

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below. They have all been applied consistently throughout the period and the preceding year.

Going concern

On 30 September 2013 the company transferred its trade and assets to Hawco Limited, a related group company, and had not traded since that date. As mentioned in the Directors' Report, the directors have therefore prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern.

Cash flow statement

The company is a subsidiary of Diploma PLC and is included by full consolidation in the consolidated financial statements of Diploma PLC, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and provision for impairment. A review for the potential impairment of a tangible fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of a fixed asset may not be recoverable. Such impairment reviews are performed in accordance with FRS 11. Impairments are recorded in the profit and loss account.

Depreciation

Depreciation is provided on all tangible fixed assets, at annual rates calculated to write off the cost of each asset over its estimated useful life on a straight line basis. The estimated useful lives used are as follows:

Plant and equipment	4 years
Motor vehicles	4 years

Stocks

Stocks are stated at the lower of cost and net realisable value which is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rate and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of timing differences that have originated but not reversed by the balance sheet date and which could give rise to an obligation to pay more or less tax in the future. Deferred tax assets are recognised to the extent that they are expected to become recoverable.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the end of the financial period except when covered by an open foreign exchange contract, in which case the rate of exchange specified in the contract is used.

Abbeychart Limited
Notes to the financial statements
Year ended 30 September 2013

1. Accounting policies (continued)

Foreign currencies (continued)

Transactions in foreign currencies are translated at the rate of exchange ruling at the date of transactions, or where applicable, the contracted rate. All profits and losses on exchange are credited or charged to the profit and loss account

Leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the life of the lease

Pension scheme

The company operates a defined contribution scheme which is available on a voluntary basis to employees over 18 years of age with more than three months' service with the company. All contributions are charged to the profit and loss account in the period in which they are incurred.

The company makes payments to the private pension schemes of some employees. All such contributions are charged to the profit and loss account in the period in which they are incurred. No contributions were payable to such schemes at the period end.

2. Turnover

Turnover represents the value of goods and services sold to third parties, excluding taxes. Turnover is recognised on the sale of goods at the date of delivery of the goods to the customer or, in the case of services, over the period the service is provided. The turnover and profit/(loss) before tax are attributable to one activity, that of the distribution of small electrical components, and arose wholly within the United Kingdom.

3. Operating profit/(loss)

	Year ended 30 September 2013 £	18 months ended 30 September 2012 £
The operating profit/(loss) has been arrived at after charging/(crediting)		
Auditor's fees and expenses for the audit of the company's annual accounts	9,460	11,787
Depreciation	46,789	124,694
Operating lease rentals – other	111,848	129,667
Foreign currency exchange losses/(gains)	16,992	(3,733)

Abbeychart Limited
Notes to the financial statements
Year ended 30 September 2013

4. Staff costs

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

	Year ended 30 September 2013 £	18 months ended 30 September 2012 £
Wages and salaries	810,637	1,470,195
Social security costs	75,768	148,088
Pension costs	-	10,583
	886,405	1,628,866

The average weekly number of employees during the period, including executive directors, was as follows:

	2013 No.	2012 No.
Administration, office and management	12	13
Sales, distribution and stock	24	24
	36	37

Directors' emoluments

	Year ended 30 September 2013 £	18 months ended 30 September 2012 £
Aggregate emoluments	-	137,637
Pension contributions	-	10,583
	-	148,220

During the prior period one director received emoluments in respect of their services to the company; no emoluments were paid in the current year. The other director was remunerated by other group companies and their remuneration is disclosed in the accounts of those companies.

During the year the company paid contributions to no directors' personal pension plan (2012: 1).

Abbeychart Limited
Notes to the financial statements
Year ended 30 September 2013

5. Tax on profit/(loss) on ordinary activities

	Year ended 30 September 2013 £	18 months ended 30 September 2012 £
Current tax		
UK Corporation tax on profits/(losses) for the period	173,263	30,924
Deferred tax		
Origination and reversal of timing differences	1,850	(28,660)
Tax on profit/(loss) on ordinary activities	175,113	2,264

The tax assessed for the period is lower (2012: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	Year ended 30 September 2013 £	18 months ended 30 September 2012 £
Profit/(loss) on ordinary activities before taxation	3,073,608	(17,018)
Profit on ordinary activities at the effective rate of corporation tax in the UK of 23.5% (2012: 25.33% net of marginal relief)	722,298	(4,084)
Effect of:		
Profit on sale of trade and assets not taxable	(547,017)	-
Capital allowances for period in excess of depreciation	6,468	24,506
Expenses not deductible for tax purposes	85	991
Timing differences	(8,571)	10,084
Current tax charge for period	173,263	30,924

The forthcoming change in corporation tax rate to 20% in future years will not materially affect the future tax charge.

Abbeychart Limited
Notes to the financial statements
Year ended 30 September 2013

6. Dividends

	Year ended 30 September 2013 £	18 months ended 30 September 2012 £
Dividends for the period ended 30 September 2013 of £4,440 (2012: £9,200) per ordinary share	<u>4,440,148</u>	<u>920,000</u>

7. Tangible fixed assets

	Plant and equipment £	Motor vehicles £	Total £
Cost			
At 1 October 2012	567,273	49,565	616,838
Additions	7,910	-	7,910
Sold to fellow group undertaking	(575,183)	(49,565)	(624,748)
At 30 September 2013	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation			
At 1 October 2012	497,981	15,125	513,106
Charge for the period	34,398	12,391	46,789
Sold to fellow group undertaking	(532,379)	(27,516)	(559,895)
At 30 September 2013	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 30 September 2013	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2012	<u>69,292</u>	<u>34,440</u>	<u>103,732</u>

8. Stocks

	2013 £	2012 £
Finished goods	<u>-</u>	<u>1,078,311</u>

In the prior year the carrying value of stocks was not materially different to their replacement value.

Abbeychart Limited
Notes to the financial statements
Year ended 30 September 2013

9. Debtors: amounts due within one year

	2013	2012
	£	£
Trade debtors	-	1,376,571
Amounts owed by holding company	100	-
Deferred tax (note 12)	-	9,836
Other debtors	-	56,487
	<u>100</u>	<u>1,442,894</u>

10. Cash at bank and in hand

Cash balances are pooled daily with Diploma Holdings PLC and fellow UK subsidiaries of Diploma Holdings PLC. The cash is available on demand

11. Creditors: amounts falling due within one year

	2013	2012
	£	£
Trade creditors	-	838,422
Amounts owed to intermediate holding company	-	72,603
Corporation tax	-	30,924
Other taxes and social security	-	106,584
Accruals and deferred income	-	182,161
Other creditors	-	19,268
	<u>-</u>	<u>1,249,962</u>

All inter-group balances are due on demand and are non-interest bearing.

12. Deferred tax asset

	2013	2012
	£	£
Decelerated capital allowances	-	11,101
Short term timing differences	-	(1,265)
	<u>-</u>	<u>9,836</u>
Total provision for deferred taxation	<u>-</u>	<u>9,836</u>
Asset/(liability) at 1 October	9,836	(18,824)
Deferred tax credit to the profit and loss account	-	28,660
Transfer to fellow group undertaking	(9,836)	-
	<u>-</u>	<u>9,836</u>
At 30 September	<u>-</u>	<u>9,836</u>

There are no unrecognised amounts of deferred tax

Abbeychart Limited
Notes to the financial statements
Year ended 30 September 2013

13. Share capital

	2013	2012
	£	£
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

14. Profit and loss account

	£
At 1 October 2012	1,541,653
Profit for the financial period	2,898,495
Dividends (note 6)	(4,440,148)
At 30 September 2013	-

15. Sale of trade and assets to fellow subsidiary undertaking

On 30 September 2013 the trade and assets of the company were sold to Hawco Limited, a fellow subsidiary undertaking, at market value. The assets and liabilities sold were as detailed below:

	£
Tangible assets	64,853
Stocks	992,554
Debtors	1,258,506
Creditors	(1,043,647)
Net book value of assets sold	1,272,266
Profit on sale	2,327,734
Consideration	3,600,000

The consideration was satisfied by a combination of cash and intercompany balances

Abbeychart Limited
Notes to the financial statements
Year ended 30 September 2013

16. Reconciliation of movements in shareholders' funds

	2013	2012
	£	£
Profit/(loss) for the financial period	2,898,495	(19,282)
Dividends (note 6)	(4,440,148)	(920,000)
Net reduction in shareholders' funds	(1,541,653)	(939,282)
Opening shareholders' funds	1,541,753	2,481,035
Closing shareholders' funds	100	1,541,753

17. Financial commitments

Annual commitments under non-cancellable operating leases were as follows:

	2013	2012
	£	£
Land and buildings leases expiring:		
Within two to five years	-	111,000
Other assets leases expiring:		
Within two to five years	-	5,254

All leases were transferred to Hawco Limited at the year end

18. Ultimate parent undertaking

Diploma PLC, a company incorporated in England, is the ultimate parent undertaking and is the parent undertaking of the smallest and largest group to consolidate these financial statements. The immediate parent undertaking is Pride Limited.

Copies of the consolidated financial statements of Diploma PLC for the period ended 30 September 2013 can be obtained from the Group Company Secretary at 12 Charterhouse Square, London EC1M 6AX.

19. Related party transactions

In accordance with Financial Reporting Standard Number 8: Related Party Disclosures, the company is exempt from disclosing transactions with entities that are part of the group or entities of the group qualifying as related parties, as it is a wholly owned subsidiary of Diploma PLC, which published consolidated financial statements for the year ended 30 September 2013