

Company Registration No. 02510845 (England and Wales)

UNITED ALUMINIUM LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
PAGES FOR FILING WITH REGISTRAR

UNITED ALUMINIUM LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 9

UNITED ALUMINIUM LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	4		227,851		298,392
Current assets					
Stocks		762,823		796,011	
Debtors	5	3,329,376		2,566,875	
Cash at bank and in hand		105,358		63,947	
		<u>4,197,557</u>		<u>3,426,833</u>	
Creditors: amounts falling due within one year	6	<u>(1,808,871)</u>		<u>(1,231,822)</u>	
Net current assets			2,388,686		2,195,011
Total assets less current liabilities			<u>2,616,537</u>		<u>2,493,403</u>
Creditors: amounts falling due after more than one year	7		(42,767)		(86,777)
Provisions for liabilities			<u>(33,358)</u>		<u>(48,440)</u>
Net assets			<u>2,540,412</u>		<u>2,358,186</u>
Capital and reserves					
Called up share capital	8		105		105
Profit and loss reserves			<u>2,540,307</u>		<u>2,358,081</u>
Total equity			<u>2,540,412</u>		<u>2,358,186</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 19 September 2018 and are signed on its behalf by:

E Elliott
Director

Company Registration No. 02510845

UNITED ALUMINIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

United Aluminium Limited is a private company limited by shares incorporated in England and Wales. The registered office is Greenside Way, Chadderton Industrial Estate, Greengate, Middleton, Greater Manchester, M24 1SW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	33% straight line
-------------------	-------------------

UNITED ALUMINIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20% reducing balance
Fixtures and fittings	15% reducing balance and 33% straight line
Computers	33% straight line
Motor vehicles	25% reducing balance
Tooling	20% and 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

UNITED ALUMINIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

UNITED ALUMINIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

UNITED ALUMINIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.14 Invoice discounting

The company discounts its trade debts. The policy is to include trade debts within current assets as trade debtors and to record cash advances within creditors due within one year. Discounting fees and interest are charged to the profit and loss account when incurred. Bad debts are borne by the company and are charged to the profit and loss account when incurred.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 68 (2016 - 64).

3 Intangible fixed assets

	Other £
Cost	
At 1 January 2017 and 31 December 2017	120,000
Amortisation and impairment	
At 1 January 2017 and 31 December 2017	120,000
Carrying amount	
At 31 December 2017	-
At 31 December 2016	-

UNITED ALUMINIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

4 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Tooling £	Total £
Cost						
At 1 January 2017	543,001	303,802	38,586	41,808	94,240	1,021,437
Additions	1,863	13,560	-	34,680	5,005	55,108
Disposals	-	-	-	(17,351)	-	(17,351)
At 31 December 2017	544,864	317,362	38,586	59,137	99,245	1,059,194
Depreciation and impairment						
At 1 January 2017	316,432	255,040	31,027	29,567	90,979	723,045
Depreciation charged in the year	64,153	42,179	6,136	7,864	2,723	123,055
Eliminated in respect of disposals	-	-	-	(14,757)	-	(14,757)
At 31 December 2017	380,585	297,219	37,163	22,674	93,702	831,343
Carrying amount						
At 31 December 2017	164,279	20,143	1,423	36,463	5,543	227,851
At 31 December 2016	226,569	48,762	7,559	12,241	3,261	298,392

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	1,107,604	454,560
Amounts owed by group undertakings	2,090,819	2,007,811
Other debtors	57,175	14,277
Prepayments and accrued income	73,778	90,227
	3,329,376	2,566,875

Included within other debtors is an amount of £53,335 (2016: £8,864) due from The Royal Bank of Scotland Plc in respect of the invoice discounting facility.

The company has assigned the majority of its trade debts to The Royal Bank of Scotland Plc. At the balance sheet date, these debts amounted to £1,043,769 (2016: £477,023).

UNITED ALUMINIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

6 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Obligations under finance leases		55,543	62,306
Trade creditors		713,620	551,410
Corporation tax		68,367	17,204
Other taxation and social security		274,156	159,573
Other creditors		602,027	380,063
Accruals and deferred income		95,158	61,266
		<u>1,808,871</u>	<u>1,231,822</u>

Obligations under hire purchase agreements are secured against the assets concerned.

7 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Obligations under finance leases		<u>42,767</u>	<u>86,777</u>

Obligations under hire purchase agreements are secured against the assets concerned.

8 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary 'A' shares of £1 each	100	100
5 Ordinary 'B' shares of £1 each	5	5
	<u>105</u>	<u>105</u>

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Mark Turner FCA.

The auditor was Champion Accountants LLP.

10 Contingencies

The company has given an unlimited guarantee on bank loans taken out by its parent company, Unibox Holdings Limited, amounting to £385,515 (2016: £541,582).

UNITED ALUMINIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2017	2016
£	£
514,799	663,377

12 Related party transactions

By virtue of common directorships, Lumenal Limited is a related party.

During the year, the company recorded sales of £NIL (2016: £855) to Lumenal Limited.

During the year, the company recorded purchases of £316,228 (2016: £101,514) from Lumenal Limited.

At the year end £NIL (2016: £2,471) was due to Lumenal Limited in respect of these purchases.

At the year end, a balance of £581,609 (2016: £357,126) was due to Lumenal Limited.

During the year the company received rent of £105,000 (2016: £101,000) and recharged £893,379 (2016: £983,415) in respect of overheads to Lumenal Limited.

Also during the year the company received equipment hire charges of £52,800 (2016: £53,056) from Lumenal Limited.

By virtue of being the parent company of United Aluminium Limited, Unibox Holdings Limited is a related party.

At the year end, a loan of £2,090,819 (2016: £2,007,811) was due from Unibox Holdings Limited.

During the year, the company paid rental charges of £174,000 (2016: £174,000) to Unibox Holdings Limited.

During the year, the company paid management charges of £18,000 (2016: £216,000) to Unibox Holdings Limited.

13 Parent company

In the opinion of the directors the company's immediate parent company is Unibox Holdings Limited, a company registered in England and Wales.

By virtue of holding 100% of the issued share capital of Unibox Holdings Limited, Shellco 141 Limited, a company registered in England and Wales is the ultimate parent and controlling company.

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