

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013
FOR
WILLIAM COOK MACHINE SHOP (LEEDS) LIMITED**

TUESDAY



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for the Period 1 April 2012 to 30 March 2013**

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WILLIAM COOK MACHINE SHOP (LEEDS) LIMITED

COMPANY INFORMATION
for the Period 1 April 2012 to 30 March 2013

DIRECTORS:

A J Cook CBE
K J Grayley

SECRETARY:

M B Houghton

REGISTERED OFFICE:

Parkway Avenue
Sheffield
South Yorkshire
S9 4UL

REGISTERED NUMBER:

02727561 (England and Wales)

INDEPENDENT AUDITOR

KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW

BANKERS:

The Royal Bank of Scotland plc
2 Whitehall Quay
Leeds
LS1 4HR

REPORT OF THE DIRECTORS
for the Period 1 April 2012 to 30 March 2013

The directors present their report with the financial statements of the company for the period 1 April 2012 to 30 March 2013

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was the machining of cast steel products

REVIEW OF BUSINESS

The operating performance during the period has been generally satisfactory, particularly in view of the global recession and the continuing high cost of raw materials and energy. In this difficult environment the directors are pleased to report increased activity and profits on the prior year.

The profit for the financial period amounted to £753,752 (2012 £721,350)

The directors are pleased to present financial statements showing shareholder's funds of £2,172,673 as at 30 March 2013 compared to £1,418,921 as at 31 March 2012

DIVIDENDS

No dividends will be distributed for the period ended 30 March 2013

FIXED ASSETS

Movements in tangible fixed assets are shown in note 6 to the accounts

FUTURE DEVELOPMENTS

The directors are confident about the long-term prospects for the company, which is well established and focussed on specialist markets, where quality and service have an intrinsic value and significant added value is also provided.

At the year end the global recession is continuing and another challenging year is envisaged for 2014. Notwithstanding this, firm management and cost control is expected to produce another satisfactory performance.

DIRECTORS

The directors in office during the period were as follows:

A J Cook CBE	Chairman
K J Grayley	

No director had any interest in the share capital of the company.

COMPANY'S POLICY ON PAYMENT OF CREDITORS

For all trade creditors it is the company's policy to agree the terms of payment at the start of business with that supplier. The company seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the period no political and charitable donations were made (2012 £nil)

DIRECTORS' INDEMNITY PROVISIONS

The directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

EMPLOYEES

It is the policy of the Group to employ disabled persons wherever circumstances permit and provide normal opportunities for their training, promotion and career developments.

The company considers it important that employees are well informed on all aspects of its affairs as far as the needs of communication and financial confidentiality will allow.

REPORT OF THE DIRECTORS
for the Period 1 April 2012 to 30 March 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

ON BEHALF OF THE BOARD:



M B Houghton - Secretary

Date 18 December 2013



1 The Embankment
Neville Street
Leeds
LS1 4DW

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIAM COOK MACHINE SHOP (LEEDS) LIMITED

We have audited the financial statements of William Cook Machine Shop (Leeds) Limited for the period ended 30 March 2013 on pages six to thirteen. 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 set out on page three, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 March 2013 and of its profit for the period 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 period for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WILLIAM COOK MACHINE SHOP (LEEDS) LIMITED**

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



Andrew Sills (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

Date 19 December 2013

PROFIT AND LOSS ACCOUNT
for the Period 1 April 2012 to 30 March 2013

	Notes	Period 1 4 12 to 30 3 13 £	Period 3 4 11 to 31 3 12 £
TURNOVER	2	3,871,179	3,710,822
Cost of sales		<u>(2,503,129)</u>	<u>(2,358,508)</u>
GROSS PROFIT		1,368,050	1,352,314
Administrative expenses		<u>(375,127)</u>	<u>(376,734)</u>
OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	992,923	975,580
Tax on profit on ordinary activities	5	<u>(239,171)</u>	<u>(254,230)</u>
PROFIT FOR THE FINANCIAL PERIOD		<u><u>753,752</u></u>	<u><u>721,350</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous period

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current period or previous period

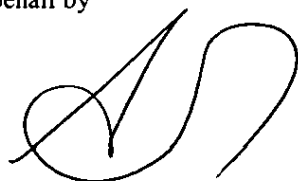
NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

BALANCE SHEET
30 March 2013

	Notes	30 3 13 £	31 3 12 £
FIXED ASSETS			
Tangible assets	6	267,503	218,616
CURRENT ASSETS			
Stocks	7	59,049	94,203
Debtors	8	<u>2,208,409</u>	<u>1,472,551</u>
		2,267,458	1,566,754
CREDITORS			
Amounts falling due within one year	9	<u>(362,288)</u>	<u>(366,449)</u>
NET CURRENT ASSETS		<u>1,905,170</u>	<u>1,200,305</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,172,673</u>	<u>1,418,921</u>
CAPITAL AND RESERVES			
Called up share capital	12	2	2
Profit and loss account	13	<u>2,172,671</u>	<u>1,418,919</u>
SHAREHOLDER'S FUNDS	19	<u>2,172,673</u>	<u>1,418,921</u>

The financial statements were approved by the Board of Directors on 18 December 2013 and were signed on its behalf by



A J Cook CBE - Director

The notes on pages 8 to 13 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Period 1 April 2012 to 30 March 2013

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Cash flow statement

Under FRS 1 'Cash flow statements' the company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent undertaking includes the company in its own published consolidated financial statements

Turnover

Turnover is the net invoiced value of goods sold and services rendered excluding value added tax

Tangible fixed assets

Tangible fixed assets are depreciated by equal annual instalments over their estimated useful lives as follows

Plant and machinery	- 10% on cost
Fixtures and fittings	- 33 3% on cost
Motor vehicles	- 33 3% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value using the first in/ first out method

Cost comprises the direct costs of production and the attributable proportion of all overheads appropriate to location and condition. Net realisable value is the estimated selling price reduced by all costs of completion, marketing, selling and distribution

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 'Deferred Tax'

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

Leasing commitments

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

Pension costs and other post-retirement benefits

The company participates in an active defined contribution group self invested personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

2 TURNOVER

The company engages in only one class of business and all income was derived from within the United Kingdom

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 April 2012 to 30 March 2013

3 STAFF COSTS

	Period 1 4 12 to 30 3 13 £	Period 3 4 11 to 31 3 12 £
Wages and salaries	1,281,380	1,241,836
Social security costs	103,324	103,416
Other pension costs	7,700	7,219
	<u>1,392,404</u>	<u>1,352,471</u>

The average monthly number of employees during the period was as follows

	Period 1 4 12 to 30 3 13	Period 3 4 11 to 31 3 12
Manufacturing	45	44
Sales and administration	<u>3</u>	<u>2</u>
	<u>48</u>	<u>46</u>

The emoluments of the directors are borne entirely by other group companies and are disclosed in the financial statements of those companies

4 OPERATING PROFIT

The operating profit is stated after charging

	Period 1 4 12 to 30 3 13 £	Period 3 4 11 to 31 3 12 £
Other operating leases	134,506	136,831
Depreciation - owned assets	113,163	112,292
Auditor's remuneration for the audit of the company's financial statements	1,860	1,630
Auditor's remuneration for taxation compliance services	<u>1,441</u>	<u>1,430</u>
Directors' remuneration	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 April 2012 to 30 March 2013

5 TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the period was as follows

	Period 1 4 12 to 30 3 13 £	Period 3 4 11 to 31 3 12 £
Current tax		
UK corporation tax	<u>246,839</u>	<u>265,487</u>
Deferred tax		
Current period	(8,182)	(10,807)
Adjustments relating to prior period	2	(574)
Effect of rate change	<u>512</u>	<u>124</u>
Total deferred tax	<u>(7,668)</u>	<u>(11,257)</u>
Tax on profit on ordinary activities	<u><u>239,171</u></u>	<u><u>254,230</u></u>

UK corporation tax has been charged at 24% (2012 - 26%)

Factors affecting the tax charge

The tax assessed for the period is higher (2012 – higher) than the standard rate of corporation tax in the UK. The difference is explained below

	Period 1 4 12 to 30 3 13 £	Period 3 4 11 to 31 3 12 £
Profit on ordinary activities before tax	<u>992,923</u>	<u>975,580</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2012 - 26%)	238,302	253,651
Effects of		
Expenses not deductible for tax purposes	-	128
Depreciation in excess of capital allowances	8,182	10,807
Deferred tax rate change	<u>355</u>	<u>901</u>
Current tax charge	<u><u>246,839</u></u>	<u><u>265,487</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 April 2012 to 30 March 2013

5 TAXATION - continued

The 2012 Budget in March 2012 announced that the UK tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

The 2013 Budget in March 2013 announced further reductions in the main rate of UK corporation tax, from 23% to 21% from 1 April 2014, and to 20% from 1 April 2015. However these changes were not substantively enacted until 2 July 2013.

These changes will reduce the company's future current tax charge accordingly and further reduce the deferred tax asset at 30 March 2013 (which has been calculated based on 23% substantively enacted at the balance sheet date).

6 TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2012	3,115,160	15,840	3,131,000
Additions	<u>162,050</u>	<u>-</u>	<u>162,050</u>
At 30 March 2013	<u>3,277,210</u>	<u>15,840</u>	<u>3,293,050</u>
DEPRECIATION			
At 1 April 2012	2,901,824	10,560	2,912,384
Charge for period	<u>107,883</u>	<u>5,280</u>	<u>113,163</u>
At 30 March 2013	<u>3,009,707</u>	<u>15,840</u>	<u>3,025,547</u>
NET BOOK VALUE			
At 30 March 2013	<u>267,503</u>	<u>-</u>	<u>267,503</u>
At 31 March 2012	<u>213,336</u>	<u>5,280</u>	<u>218,616</u>

7 STOCKS

	30 3 13 £	31 3 12 £
Raw materials and consumables	<u>59,049</u>	<u>94,203</u>

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 3 13 £	31 3 12 £
Amounts owed by group undertakings	2,188,446	1,460,256
Deferred tax asset (see note 11)	<u>19,963</u>	<u>12,295</u>
	<u>2,208,409</u>	<u>1,472,551</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 3 13 £	31 3 12 £
Corporation tax	<u>362,288</u>	<u>366,449</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 April 2012 to 30 March 2013

10 OPERATING LEASE COMMITMENTS

There were no annual commitments under non-cancellable operating leases (2012 £nil)

11 DEFERRED TAX

	£
Balance at 1 April 2012	(12,295)
Credit for the period	<u>(7,668)</u>
Balance at 30 March 2013	<u>(19,963)</u>

The deferred tax debtor is included within debtors at note 8

The elements of deferred taxation are as follows

	30 3 13	31 3 12
	£	£
Difference between accumulated depreciation and amortisation of capital allowances	<u>(19,963)</u>	<u>(12,295)</u>

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	30 3 13	31 3 12
		£1	£	£
2	Ordinary		<u>2</u>	<u>2</u>

13 RESERVES

	Profit and loss account £
At 1 April 2012	1,418,919
Profit for the period	<u>753,752</u>
At 30 March 2013	<u>2,172,671</u>

14 PENSION COMMITMENTS**Group Self Invested Personal Pension Scheme**

The assets of this defined contribution pension scheme are held separately from those of the company, in an independently administered fund. The company's contribution to the scheme for the period was £7,700 (2012 £7,219)

There were no outstanding or prepaid contributions at either the beginning or end of the financial period

15 ULTIMATE PARENT COMPANY

The ultimate holding company is William Cook Holdings Limited, a company registered in England and Wales

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 April 2012 to 30 March 2013

16 CONTINGENT LIABILITIES

Group contingent liabilities relating to guarantees, performance bonds and other items of a normal trading nature amounted to £476,000 (2012 £476,000)

William Cook Machine Shop (Leeds) Limited has given guarantees in respect of bank indebtedness of fellow group undertakings, which amounted to £2,027,000 (2012 £2,167,000)

17 CAPITAL COMMITMENTS

	30 3 13	31 3 12
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

18 RELATED PARTY DISCLOSURES

Under FRS 8 'Related party disclosures' the company is exempt from the requirements to disclose related party transactions with the William Cook Group, on the grounds that it is a wholly owned subsidiary of William Cook Holdings Limited

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	30 3 13	31 3 12
	£	£
Profit for the financial period	<u>753,752</u>	<u>721,350</u>
Net addition to shareholder's funds	753,752	721,350
Opening shareholder's funds	<u>1,418,921</u>	<u>697,571</u>
Closing shareholder's funds	<u>2,172,673</u>	<u>1,418,921</u>