

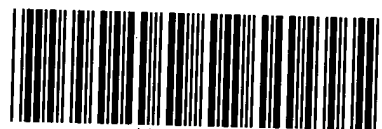
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LANGLEY ALLOYS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

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LANGLEY ALLOYS LIMITED

COMPANY INFORMATION

| | |
|-----------------------------|--|
| Directors | A M Staines C M J Halliday K Sayer R Bulmer |
| Company secretary | K Sayer |
| Registered number | 3059791 |
| Registered office | The Wharf 504-506 Lowfield Drive Newcastle Staffordshire ST5 0UU |
| Independent auditors | BDO LLP 125 Colmore Row Birmingham B3 3SD |

LANGLEY ALLOYS LIMITED

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LANGLEY ALLOYS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2014

Business review

The Company maintains its previously stated strategy of being stockist and distributor of proprietary and other high strength Corrosion Resistant Alloys, CRAs, primarily supplied to the Energy, Marine and process Equipment markets world-wide.

Turnover in the year was maintained, but margins came under increased pressure, whilst costs were increased resulting in pre tax profits reduced by 29%, as the results were again adversely impacted by movements in metal surcharges and the availability of major projects. Nonetheless, the company continued to make progress in overseas markets.

The Directors expect our main markets to remain active during the coming year, although the depressed oil price is producing challenging conditions. The Directors expect the company to develop further profitable sales during 2014/2015 and to enjoy a further satisfactory and successful trading year.

Principal risks and uncertainties

Financial risk management objectives and policies

The company's principal financial instruments comprise cash and short term deposits. The company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the company's financial instruments are credit risk, price risk and foreign exchange risk. The board reviews and agrees policies for managing this risk as summarised below.

Trading risks

The principal trading risks affecting the group are:

- Fluctating oil prices and trading within that industry - mitigated by an increase in customers outside that industry;
- Metal prices (see below); and
- Fluctuations in US dollar and Euro exchange rates (see below).

Credit risk

The company trades only with recognised, creditworthy third parties. It is the company policy that most customers who wish to trade on credit terms are subject to credit vetting procedures and the company has credit insurance in place when practical. In certain circumstances customers are requested to pay in advance of delivery. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant.

Price risk

The company's exposure to price risk consists mainly of movements in the value of the company's stock due to the use of commodity metals in the product. Management seeks to mitigate this risk by careful monitoring of commodity pricing and stock holding.

Foreign exchange risk

The company is exposed to foreign exchange risk through its overseas sales which are invoiced in local currency. The directors seek to manage this risk by the use of foreign currency bank accounts and monitoring the timing of conversion into sterling. The company also hedges this risk through the use of forward exchange contracts.

LANGLEY ALLOYS LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

Financial key performance indicators

The directors monitor turnover and gross profit margins and cash/working capital management as the key performance indicators for the business.

This report was approved by the board on 17th March 2015 and signed on its behalf.



.....
K Sayer
Secretary

LANGLEY ALLOYS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2014

The directors present their report and the financial statements for the year ended 31 August 2014.

Principal activities

The principal activity of the company during the year was the manufacture and distribution of high performance corrosion resistant alloys and engineered products.

Results and dividend

The profit for the year, after taxation, amounted to £774,722 (2013 - £1,077,528).

The company paid an interim dividend of £350,000 (2013 - £250,000) during the year. The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year and subsequent appointments were:


A M Staines (appointed 30 April 2014)
C M J Halliday
K Sayer
R Bulmer

Provision of information to the auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing its report and to establish that the company's auditors are aware of that information.

This report was approved by the board on 17th March 2015 and signed on its behalf.


.....
K Sayer
Secretary

LANGLEY ALLOYS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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 judgments and accounting estimates that are reasonable and prudent; 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

LANGLEY ALLOYS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANGLEY ALLOYS LIMITED

We have audited the financial statements of Langley Alloys Limited for the year ended 31 August 2014 which comprise the profit and loss account, the balance sheet, and the related notes. 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 statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC'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 31 August 2014 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.

LANGLEY ALLOYS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANGLEY ALLOYS 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.

BDO LLP

Tobias Stephenson (Senior statutory auditor)
For and on behalf of BDO LLP, Statutory auditor
Birmingham
United Kingdom

31 March 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

LANGLEY ALLOYS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2014**

| | Note | 2014 £ | 2013 £ |
|--|------|--------------------|-------------|
| TURNOVER | 1,2 | 11,784,931 | 11,907,640 |
| Cost of sales | | (9,093,008) | (8,869,494) |
| GROSS PROFIT | | 2,691,923 | 3,038,146 |
| Administrative expenses | | (1,702,504) | (1,634,660) |
| OPERATING PROFIT | 3 | 989,419 | 1,403,486 |
| Interest receivable and similar income | | 336 | - |
| Interest payable and similar charges | | (196) | - |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 989,559 | 1,403,486 |
| Tax on profit on ordinary activities | 6 | (214,837) | (325,958) |
| PROFIT FOR THE FINANCIAL YEAR | 14 | 774,722 | 1,077,528 |

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 9 to 17 form part of these financial statements.

LANGLEY ALLOYS LIMITED
REGISTERED NUMBER: 3059791

BALANCE SHEET
AS AT 31 AUGUST 2014

| | Note | £ | 2014 £ | £ | 2013 £ |
|---|------|--------------------|--------------------------------|--------------------|-------------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 7 | | 52,123 | | 51,283 |
| Tangible assets | 8 | | 406,343 | | 432,946 |
| | | | <u>458,466</u> | | <u>484,229</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 9 | 3,219,435 | | 3,451,068 | |
| Debtors | 10 | 1,785,785 | | 1,891,295 | |
| Cash at bank and in hand | | 1,664,444 | | 760,619 | |
| | | | <u>6,669,664</u> | <u>6,102,982</u> | |
| CREDITORS: amounts falling due within one year | 11 | (2,080,675) | | (1,967,563) | |
| NET CURRENT ASSETS | | | <u>4,588,989</u> | | <u>4,135,419</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>5,047,455</u> | | <u>4,619,648</u> |
| PROVISIONS FOR LIABILITIES | | | | | |
| Deferred tax | 12 | | (44,885) | | (41,800) |
| NET ASSETS | | | <u><u>5,002,570</u></u> | | <u><u>4,577,848</u></u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 13 | | 1,000 | | 1,000 |
| Other reserves | 14 | | 135 | | 135 |
| Profit and loss account | 14 | | 5,001,435 | | 4,576,713 |
| SHAREHOLDERS' FUNDS | 15 | | <u><u>5,002,570</u></u> | | <u><u>4,577,848</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

17 March 2015

.....
C M J Halliday
 Director

The notes on pages 9 to 17 form part of these financial statements.

LANGLEY ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year , exclusive of value added tax. Sales made under ex-works terms are recognised at the point of collection by the customer. Sales made on delivered terms are recognised at the date that the goods are received by the customers in line with the company's terms and conditions.

1.4 Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost net of any amortisation impairment.

Amortisation is calculated so as to write off the cost of an intangible asset, less its estimated residual value, over the useful economic life of that asset.

Amortisation is provided at the following rates:

| | | |
|------------|---|--------------------------------------|
| Trademarks | - | straight line over life of trademark |
|------------|---|--------------------------------------|

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---------------------|---|--------------------------|
| Leasehold property | - | over the lease term |
| Plant & machinery | - | 10% straight line |
| Fixtures & fittings | - | 10% to 33% straight line |
| Office equipment | - | 25% to 33% straight line |

1.6 Operating leases

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

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

LANGLEY ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies not matched by forward contracts are translated into sterling at rates of exchange ruling at the balance sheet date. Those matched by forward contracts are translated into sterling at the forward contract rate.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction, other than those covered by forward contract where the forward contract rate is used.

Exchange gains and losses are recognised in the profit and loss account.

1.10 Research and development

Research and development expenditure is written off in the year in which it is incurred.

1.11 Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account, on an accruals basis.

2. TURNOVER

All turnover relates to the company's principal activity. A geographical analysis of turnover is as follows:

| | 2014 £ | 2013 £ |
|--------------------|-------------------|-------------------|
| United Kingdom | 6,223,351 | 7,452,221 |
| Other EU countries | 1,919,987 | 1,441,891 |
| Rest of the world | 3,641,593 | 3,013,528 |
| | <u>11,784,931</u> | <u>11,907,640</u> |

LANGLEY ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

| | 2014 £ | 2013 £ |
|--|---------------|--------------|
| Amortisation - intangible fixed assets | 12,618 | 11,352 |
| Depreciation of tangible fixed assets: | | |
| - owned by the company | 74,185 | 77,228 |
| Auditors' remuneration | 15,408 | 14,953 |
| Operating lease rentals: | | |
| - plant and machinery | 48,067 | 37,675 |
| - other operating leases | 66,667 | 63,000 |
| Difference on foreign exchange | (1,511) | (69,671) |
| Research and development expenditure written off | 24,716 | 4,544 |
| | <u>24,716</u> | <u>4,544</u> |

4. STAFF COSTS

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

| | 2014 £ | 2013 as restated £ |
|-----------------------|------------------|--------------------------|
| Wages and salaries | 996,964 | 918,238 |
| Social security costs | 80,777 | 80,388 |
| Other pension costs | 21,042 | 61,355 |
| | <u>1,098,783</u> | <u>1,059,981</u> |

The average monthly number of employees, including the directors, during the year was as follows:

| | 2014 No. | 2013 No. |
|----------------------|-------------|-------------|
| Production staff | 7 | 6 |
| Administration staff | 19 | 20 |
| | <u>26</u> | <u>26</u> |

The comparative year's pension costs have been restated to correct disclosure.

LANGLEY ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

5. DIRECTORS' REMUNERATION

| | 2014 £ | 2013 £ |
|-----------------------|----------------|----------------|
| Remuneration | <u>264,669</u> | <u>279,099</u> |
| Pension contributions | <u>12,253</u> | <u>48,347</u> |

During the year retirement benefits were accruing to 4 directors (2013 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £110,834 (2013 - £145,597). Pension contributions made in respect of the highest paid director amounted to £4,934 (2013 - £44,139)

6. TAXATION

| | 2014 £ | 2013 £ |
|---|----------------|----------------|
| Analysis of tax charge in the year | | |
| Current tax (see note below) | | |
| UK corporation tax charge on profit for the year | 211,862 | 327,358 |
| Adjustments in respect of prior periods | (110) | - |
| Total current tax | <u>211,752</u> | <u>327,358</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 61 | 3,900 |
| Effect of increased tax rate on opening liability | 3,024 | (5,300) |
| Total deferred tax (see note 12) | <u>3,085</u> | <u>(1,400)</u> |
| Tax on profit on ordinary activities | <u>214,837</u> | <u>325,958</u> |

LANGLEY ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

6. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21% (2013 - 23%). The differences are explained below:

| | 2014 £ | 2013 £ |
|--|-----------------------|-----------------------|
| Profit on ordinary activities before tax | <u>989,559</u> | <u>1,403,486</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013 - 23%) | 207,807 | 322,802 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 37 | 328 |
| Depreciation for year in excess of capital allowances | 2,983 | 11,018 |
| Tax chargeable at lower rates | 11,105 | 8,065 |
| Other short term timing differences | (2,163) | (12,187) |
| Research and development expenditure allowance | - | (2,668) |
| Adjustments to tax charge in respect of prior periods | (110) | - |
| Group relief | (7,907) | - |
| Current tax charge for the year (see note above) | <u>211,752</u> | <u>327,358</u> |

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

7. INTANGIBLE FIXED ASSETS

| | Trademarks £ |
|-----------------------|----------------------|
| Cost | |
| At 1 September 2013 | 224,791 |
| Additions | 13,458 |
| At 31 August 2014 | <u>238,249</u> |
| Amortisation | |
| At 1 September 2013 | 173,508 |
| Charge for the year | 12,618 |
| At 31 August 2014 | <u>186,126</u> |
| Net book value | |
| At 31 August 2014 | <u>52,123</u> |
| At 31 August 2013 | <u>51,283</u> |

LANGLEY ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

8. TANGIBLE FIXED ASSETS

| | Improve- ments to leasehold properties £ | Plant & machinery £ | Fixtures & fittings £ | Office equipment £ | Total £ |
|-----------------------|--|---------------------------|-----------------------------|--------------------------|----------------|
| Cost | | | | | |
| At 1 September 2013 | 244,072 | 300,995 | 40,739 | 153,883 | 739,689 |
| Additions | - | 48,285 | - | 10,036 | 58,321 |
| Disposals | - | (17,898) | - | (16,260) | (34,158) |
| At 31 August 2014 | <u>244,072</u> | <u>331,382</u> | <u>40,739</u> | <u>147,659</u> | <u>763,852</u> |
| Depreciation | | | | | |
| At 1 September 2013 | 52,681 | 119,362 | 11,581 | 123,119 | 306,743 |
| Charge for the year | 18,093 | 29,609 | 4,074 | 22,409 | 74,185 |
| On disposals | - | (7,159) | - | (16,260) | (23,419) |
| At 31 August 2014 | <u>70,774</u> | <u>141,812</u> | <u>15,655</u> | <u>129,268</u> | <u>357,509</u> |
| Net book value | | | | | |
| At 31 August 2014 | <u>173,298</u> | <u>189,570</u> | <u>25,084</u> | <u>18,391</u> | <u>406,343</u> |
| At 31 August 2013 | <u>191,391</u> | <u>181,633</u> | <u>29,158</u> | <u>30,764</u> | <u>432,946</u> |

9. STOCKS

| | 2014 £ | 2013 £ |
|------------------|------------------|------------------|
| Goods for resale | <u>3,219,435</u> | <u>3,451,068</u> |

10. DEBTORS

| | 2014 £ | 2013 £ |
|------------------------------------|------------------|------------------|
| Trade debtors | 1,340,209 | 1,557,174 |
| Amounts owed by group undertakings | 321,335 | 216,609 |
| Prepayments and accrued income | 124,241 | 117,512 |
| | <u>1,785,785</u> | <u>1,891,295</u> |

LANGLEY ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

**11. CREDITORS:
Amounts falling due within one year**

| | 2014 £ | 2013 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 1,741,839 | 1,302,897 |
| Amounts owed to group undertakings | - | 21,355 |
| Corporation tax | 44,779 | 152,383 |
| Other taxation and social security | 64,307 | 286,674 |
| Other creditors | 5,454 | 5,275 |
| Accruals and deferred income | 224,296 | 198,979 |
| | <u>2,080,675</u> | <u>1,967,563</u> |

12. DEFERRED TAXATION

| | 2014 £ | 2013 £ |
|-----------------------------------|---------------|---------------|
| At beginning of year | 41,800 | 43,200 |
| Charge for/(released during) year | 3,085 | (1,400) |
| | <u>44,885</u> | <u>41,800</u> |

The provision for deferred taxation is made up as follows:

| | 2014 £ | 2013 £ |
|--------------------------------|---------------|---------------|
| Other timing differences | (4,376) | (4,450) |
| Accelerated capital allowances | 49,261 | 46,250 |
| | <u>44,885</u> | <u>41,800</u> |

13. SHARE CAPITAL

| | 2014 £ | 2013 £ |
|---|--------------|--------------|
| Authorised, allotted, called up and fully paid | | |
| 1,000 Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |

LANGLEY ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

14. RESERVES

| | Other reserves £ | Profit and loss account £ |
|-------------------------------|------------------------|---------------------------------|
| At 1 September 2013 | 135 | 4,576,713 |
| Profit for the financial year | | 774,722 |
| Dividends: Equity capital | | (350,000) |
| At 31 August 2014 | <u>135</u> | <u>5,001,435</u> |

Other reserves relate to a capital redemption reserve.

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

| | 2014 £ | 2013 £ |
|-------------------------------|------------------|------------------|
| Opening shareholders' funds | 4,577,848 | 3,750,320 |
| Profit for the financial year | 774,722 | 1,077,528 |
| Dividends (Note 16) | (350,000) | (250,000) |
| Closing shareholders' funds | <u>5,002,570</u> | <u>4,577,848</u> |

16. DIVIDENDS

| | 2014 £ | 2013 £ |
|----------------------------------|----------------|----------------|
| Dividends paid on equity capital | <u>350,000</u> | <u>250,000</u> |

17. OPERATING LEASE COMMITMENTS

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | | Other | |
|-------------------------|--------------------|---------------|-----------|-----------|
| | 2014 £ | 2013 £ | 2014 £ | 2013 £ |
| Expiry date: | | | | |
| Within 1 year | - | - | 6,098 | 6,368 |
| Between 2 and 5 years | - | - | 41,999 | 40,059 |
| After more than 5 years | <u>85,000</u> | <u>85,000</u> | <u>-</u> | <u>-</u> |

LANGLEY ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS8 'Related Party Transactions', from disclosing transactions with other members of the Langley Alloys Holdings Limited group.

19. DERIVATIVE TRANSACTIONS

The company has a number of forward foreign currency contracts with its bankers, Barclays Bank plc. The company was contracted to sell currency amounting to £1,194,000 (2013: £714,000) and buy currency amounting to £nil (2013: £690,000). There was no material difference between the contracted amounts and their fair value.

20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking by virtue of its 100% shareholding of the ordinary share capital of Langley Alloys Limited is Langley Alloys Holdings Limited, a company registered in the United Kingdom. Copies of Langley Alloys Holdings Limited accounts can be obtained from The Registrar of Companies, Companies House, Cardiff, CF4 3UZ.

The ultimate controlling party is regarded by the directors as C M J Halliday.