

REGISTERED NUMBER: 03304485 (England and Wales)

GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTOR AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014
FOR
MILSPEED LIMITED

TUESDAY



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for the Year Ended 31 December 2014

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MILSPEED LIMITED
COMPANY INFORMATION
for the Year Ended 31 December 2014

DIRECTOR: I J Milhench

SECRETARY: I J Milhench

REGISTERED OFFICE: Willow Court
Bourton Industrial Park
Bourton on the Water
Gloucestershire
GL54 2HQ

REGISTERED NUMBER: 03304485 (England and Wales)

AUDITORS: Kingscott Dix (Cheltenham) Limited
Statutory Auditor
Chartered Accountants
Malvern View Business Park
Stella Way
Bishops Cleeve
Cheltenham
Gloucestershire
GL52 7DQ

GROUP STRATEGIC REPORT
for the Year Ended 31 December 2014

The director presents his strategic report of the company and the group for the year ended 31 December 2014.

REVIEW OF BUSINESS

The director is pleased to report a good year of trading with turnover increasing to £8.92m.

The extruder business is developing well with sales ahead of expectations.

PRINCIPAL RISKS AND UNCERTAINTIES

Principal risks and uncertainties facing the company include the difficult general economic trading conditions, the loss of high income clients, a rising cost base, and foreign exchange exposure.

KEY PERFORMANCE INDICATORS

Key performance indicators that management focus on include divisional turnover, margins and overheads. Each of these are reviewed regularly by management against the budget and prior periods.

ON BEHALF OF THE BOARD:


I J Milhench - Director

23 December 2015

REPORT OF THE DIRECTOR
for the Year Ended 31 December 2014

The director presents his report with the financial statements of the company and the group for the year ended 31 December 2014.

DIVIDENDS

Interim dividends per share were paid as follows:

£1.65	- 24 January 2014
£1.65	- 25 February 2014
£1.65	- 17 March 2014
£1.65	- 17 April 2014
£1.65	- 16 May 2014
£1.65	- 17 June 2014
£1.65	- 17 July 2014
£1.65	- 15 August 2014
£1.65	- 17 September 2014
£1.65	- 17 October 2014
£1.65	- 17 November 2014
£1.65	- 17 December 2014
<hr/>	
£19.80	
<hr/>	

The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2014 will be £99,000.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

I J Milhench has held office during the whole of the period from 1 January 2014 to the date of this report.

Other changes in directors holding office are as follows:

D R Speed ceased to be a director after 31 December 2014 but prior to the date of this report.

FINANCIAL INSTRUMENTS

The company's financial instruments comprise short and long term bank loans and bank overdraft. The main purpose of these financial instruments is to raise finance to fund the company's operations. The company has other financial instruments such as trade debtors and trade creditors which arise directly from operations.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

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

REPORT OF THE DIRECTOR
for the Year Ended 31 December 2014

STATEMENT OF DIRECTOR'S RESPONSIBILITIES - continued

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

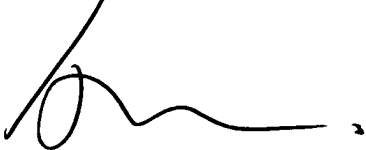
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he 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 group's auditors are aware of that information.

AUDITORS

The auditors, Kingscott Dix (Cheltenham) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'I J Milhench', written over a horizontal line.

I J Milhench - Director

23 December 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MILSPEED LIMITED

We have audited the financial statements of Milspeed Limited for the year ended 31 December 2014 on pages seven to twenty six. 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 a Report of the Auditors 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 director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on pages three and four, the director is 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Director 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2014 and of the group's 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 Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MILSPEED 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Gwyneth Milner (Senior Statutory Auditor)
for and on behalf of Kingscott Dix (Cheltenham) Limited
Statutory Auditor
Chartered Accountants
Malvern View Business Park
Stella Way
Bishops Cleeve
Cheltenham
Gloucestershire
GL52 7DQ



23 December 2015

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2014

		2014	2013
	Notes	£	as restated £
TURNOVER		8,919,977	6,895,548
Cost of sales		<u>6,397,845</u>	<u>5,041,131</u>
GROSS PROFIT		2,522,132	1,854,417
Administrative expenses		<u>1,892,376</u>	<u>1,175,524</u>
OPERATING PROFIT	3	629,756	678,893
Interest payable and similar charges	4	<u>61,995</u>	<u>52,225</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		567,761	626,668
Tax on profit on ordinary activities	5	<u>134,526</u>	<u>176,519</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		433,235	450,149
Minority interest - equity		<u>307</u>	<u>(151)</u>
RETAINED PROFIT FOR THE GROUP CARRIED FORWARD		432,928	450,300

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the Year Ended 31 December 2014

	2014	2013 as restated
	£	£
PROFIT FOR THE FINANCIAL YEAR	432,928	450,300
Unrealised surplus on revaluation of other items	1,065,000	-
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	1,497,928	450,300
	<hr/>	<hr/>
Prior year adjustment	131,887	
	<hr/>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	1,629,815	
	<hr/>	

NOTE OF HISTORICAL COST PROFITS AND LOSSES
for the Year Ended 31 December 2014

	2014	2013 as restated
	£	£
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	567,761	626,668
Difference between the historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	97,625	-
	<hr/>	<hr/>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	665,386	626,668
	<hr/>	<hr/>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION MINORITY INTERESTS AND DIVIDENDS	431,553	342,881
	<hr/>	<hr/>

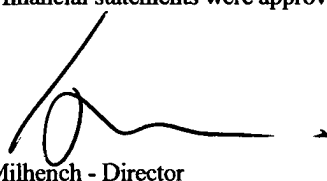
The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET

31 December 2014

		2014		2013 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	9		36,043		38,543
Tangible assets	10		1,410,658		213,678
Investments	11		-		-
			<u>1,446,701</u>		<u>252,221</u>
CURRENT ASSETS					
Stocks	12	3,042,323		2,754,144	
Debtors	13	1,628,392		1,423,926	
Cash at bank and in hand		393,400		153,674	
		<u>5,064,115</u>		<u>4,331,744</u>	
CREDITORS					
Amounts falling due within one year	14	2,665,087		2,374,498	
NET CURRENT ASSETS			<u>2,399,028</u>		<u>1,957,246</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,845,729</u>		<u>2,209,467</u>
PROVISIONS FOR LIABILITIES	17		(266,185)		(29,158)
MINORITY INTERESTS	18		(13,415)		(13,108)
NET ASSETS			<u><u>3,566,129</u></u>		<u><u>2,167,201</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		5,000		5,000
Revaluation reserve	20		967,375		-
Profit and loss account	20		2,593,754		2,162,201
SHAREHOLDERS' FUNDS	23		<u><u>3,566,129</u></u>		<u><u>2,167,201</u></u>

The financial statements were approved by the director on 23 December 2015 and were signed by:


I J Milhench - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET

31 December 2014

		2014		2013 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	9		36,043		38,543
Tangible assets	10		1,400,374		205,455
Investments	11		116,833		116,833
			<u>1,553,250</u>		<u>360,831</u>
CURRENT ASSETS					
Stocks	12	2,697,926		2,384,872	
Debtors	13	1,740,191		1,579,429	
Cash at bank and in hand		348,503		101,779	
		<u>4,786,620</u>		<u>4,066,080</u>	
CREDITORS					
Amounts falling due within one year	14	2,656,728		2,339,608	
NET CURRENT ASSETS			<u>2,129,892</u>		<u>1,726,472</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,683,142</u>		<u>2,087,303</u>
PROVISIONS FOR LIABILITIES	17		267,000		30,000
NET ASSETS			<u><u>3,416,142</u></u>		<u><u>2,057,303</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		5,000		5,000
Revaluation reserve	20		967,375		-
Profit and loss account	20		2,443,767		2,052,303
SHAREHOLDERS' FUNDS	23		<u><u>3,416,142</u></u>		<u><u>2,057,303</u></u>

The financial statements were approved by the director on 23 December 2015 and were signed by:

I J Milhench - Director



The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 December 2014

		2014		2013 as restated	
	Notes	£	£	£	£
Net cash (outflow)/inflow from operating activities	1		(73,585)		539,275
Returns on investments and servicing of finance	2		(61,995)		(52,225)
Taxation			(160,940)		(181,929)
Capital expenditure	2		(56,240)		(61,732)
Equity dividends paid			(99,000)		(107,419)
			<u>(451,760)</u>		<u>135,970</u>
Financing	2		<u>472,232</u>		<u>135,386</u>
Increase in cash in the period			<u>20,472</u>		<u>271,356</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		20,472		271,356	
Cash inflow from increase in debt		<u>(507,633)</u>		<u>(251,502)</u>	
Change in net debt resulting from cash flows			<u>(487,161)</u>		<u>19,854</u>
Movement in net debt in the period			<u>(487,161)</u>		<u>19,854</u>
Net debt at 1 January			<u>(723,225)</u>		<u>(743,079)</u>
Net debt at 31 December			<u><u>(1,210,386)</u></u>		<u><u>(723,225)</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 December 2014

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2014	2013 as restated
	£	£
Operating profit	629,756	678,893
Depreciation charges	176,760	99,591
Increase in stocks	(288,179)	(636,528)
Increase in debtors	(169,064)	(60,830)
(Decrease)/increase in creditors	(422,858)	458,149
Net cash (outflow)/inflow from operating activities	<u>(73,585)</u>	<u>539,275</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014	2013 as restated
	£	£
Returns on investments and servicing of finance		
Interest paid	<u>(61,995)</u>	<u>(52,225)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(61,995)</u>	<u>(52,225)</u>
 Capital expenditure		
Purchase of tangible fixed assets	<u>(56,240)</u>	<u>(61,732)</u>
Net cash outflow for capital expenditure	<u>(56,240)</u>	<u>(61,732)</u>
 Financing		
New loans in year	507,634	251,502
Amount withdrawn by directors	<u>(35,402)</u>	<u>(116,116)</u>
Net cash inflow from financing	<u>472,232</u>	<u>135,386</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 December 2014

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.14	Cash flow	At
	£	£	31.12.14
			£
Net cash:			
Cash at bank and in hand	153,674	239,726	393,400
Bank overdraft	(76,563)	(219,254)	(295,817)
	<u>77,111</u>	<u>20,472</u>	<u>97,583</u>
Debt:			
Debts falling due within one year	(800,336)	(507,633)	(1,307,969)
	<u>(800,336)</u>	<u>(507,633)</u>	<u>(1,307,969)</u>
Total	<u>(723,225)</u>	<u>(487,161)</u>	<u>(1,210,386)</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the Year Ended 31 December 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of twenty years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Straight line over 10 years
Plant and machinery	- 20% on reducing balance and Straight line over 10 years
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

Restoration provision

The company is under a legal obligation to remove its extruder machine and make good at the end of the lease in February 2024.

The directors have estimated the cost of this, and this cost has been capitalised as a fixed asset within 'Plant and machinery' and a corresponding restoration provision created.

The capitalised cost of restoration is depreciated annually over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

2. STAFF COSTS

	2014	2013 as restated
	£	£
Wages and salaries	1,030,498	729,642
Social security costs	89,595	60,229
Other pension costs	25,623	17,208
	<u>1,145,716</u>	<u>807,079</u>

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

	2014	2013 as restated
Administration and sales	10	10
Production	29	24
	<u>39</u>	<u>34</u>

3. OPERATING PROFIT

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

	2014	2013 as restated
	£	£
Depreciation - owned assets	174,260	57,899
Goodwill amortisation	2,500	2,500
Foreign exchange differences	(77,903)	(121,807)
Auditors remuneration	8,523	6,838
	<u>131,790</u>	<u>131,790</u>
Directors' remuneration	9,343	9,343
Directors' pension contributions to money purchase schemes	<u>9,343</u>	<u>9,343</u>

The number of directors to whom retirement benefits were accruing was as follows:

	1	1
Money purchase schemes	<u>1</u>	<u>1</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013 as restated
	£	£
Bank interest	35,247	21,973
Other loan interest	26,748	30,252
	<u>61,995</u>	<u>52,225</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

5. TAXATION

Analysis of the tax charge

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

	2014	2013 as restated
	£	£
Current tax:		
UK corporation tax	147,500	178,519
Deferred tax	(12,974)	(2,000)
Tax on profit on ordinary activities	<u>134,526</u>	<u>176,519</u>

6. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £392,839 (2013 - £495,194).

7. DIVIDENDS

	2014	2013 as restated
	£	£
Ordinary shares shares of £1 each		
Interim	<u>99,000</u>	<u>107,419</u>

8. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been included to reduce the value of goodwill included in the accounts. This is as a result of an amendment to the valuation of goodwill arising when the company acquired the business and assets from Milspeed partnership on 1 June 2010.

The prior year adjustment has been to reduce goodwill by £750,000 from £800,000 to £50,000, and to reduce loans from directors by £750,000. The amortisation charge brought forward has been reduced by £131,887 which has resulted in an increase in shareholders funds at 31 December 2013 of £131,887.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

9. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Patents and licences £	Totals £
COST			
At 1 January 2014 and 31 December 2014	<u>50,000</u>	<u>10,000</u>	<u>60,000</u>
AMORTISATION			
At 1 January 2014	11,458	9,999	21,457
Amortisation for year	<u>2,500</u>	<u>-</u>	<u>2,500</u>
At 31 December 2014	<u>13,958</u>	<u>9,999</u>	<u>23,957</u>
NET BOOK VALUE			
At 31 December 2014	<u>36,042</u>	<u>1</u>	<u>36,043</u>
At 31 December 2013	<u>38,542</u>	<u>1</u>	<u>38,543</u>

Company

	Goodwill £	Patents and licences £	Totals £
COST			
At 1 January 2014 and 31 December 2014	<u>50,000</u>	<u>10,000</u>	<u>60,000</u>
AMORTISATION			
At 1 January 2014	11,458	9,999	21,457
Amortisation for year	<u>2,500</u>	<u>-</u>	<u>2,500</u>
At 31 December 2014	<u>13,958</u>	<u>9,999</u>	<u>23,957</u>
NET BOOK VALUE			
At 31 December 2014	<u>36,042</u>	<u>1</u>	<u>36,043</u>
At 31 December 2013	<u>38,542</u>	<u>1</u>	<u>38,543</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

10. TANGIBLE FIXED ASSETS

Group

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST OR VALUATION			
At 1 January 2014	33,699	427,169	14,027
Additions	41,074	253,598	3,484
Revaluations	-	1,065,000	-
At 31 December 2014	74,773	1,745,767	17,511
DEPRECIATION			
At 1 January 2014	23,598	250,394	10,502
Charge for year	7,477	156,106	1,191
At 31 December 2014	31,075	406,500	11,693
NET BOOK VALUE			
At 31 December 2014	43,698	1,339,267	5,818
At 31 December 2013	10,101	176,775	3,525
	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 January 2014	50,510	41,479	566,884
Additions	-	8,084	306,240
Revaluations	-	-	1,065,000
At 31 December 2014	50,510	49,563	1,938,124
DEPRECIATION			
At 1 January 2014	30,393	38,319	353,206
Charge for year	5,232	4,254	174,260
At 31 December 2014	35,625	42,573	527,466
NET BOOK VALUE			
At 31 December 2014	14,885	6,990	1,410,658
At 31 December 2013	20,117	3,160	213,678

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

10. TANGIBLE FIXED ASSETS - continued

Group

Cost or valuation at 31 December 2014 is represented by:

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
Valuation in 2014	-	1,065,000	-
Cost	74,773	680,767	17,511
	<u>74,773</u>	<u>1,745,767</u>	<u>17,511</u>
	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2014	-	-	1,065,000
Cost	50,510	49,563	873,124
	<u>50,510</u>	<u>49,563</u>	<u>1,938,124</u>

If plant and machinery had not been revalued it would have been included at the following historical cost:

	2014	2013 as restated
	£	£
Cost	<u>680,767</u>	<u>427,169</u>
Aggregate depreciation	<u>308,875</u>	<u>250,394</u>

Company

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST OR VALUATION			
At 1 January 2014	33,699	413,763	9,389
Additions	41,074	250,000	2,910
Revaluations	-	1,065,000	-
At 31 December 2014	<u>74,773</u>	<u>1,728,763</u>	<u>12,299</u>
DEPRECIATION			
At 1 January 2014	23,598	240,417	8,096
Charge for year	7,477	155,211	841
At 31 December 2014	<u>31,075</u>	<u>395,628</u>	<u>8,937</u>
NET BOOK VALUE			
At 31 December 2014	<u>43,698</u>	<u>1,333,135</u>	<u>3,362</u>
At 31 December 2013	<u>10,101</u>	<u>173,346</u>	<u>1,293</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

10. TANGIBLE FIXED ASSETS - continued

Company

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 January 2014	32,880	39,254	528,985
Additions	-	8,084	302,068
Revaluations	-	-	1,065,000
	<hr/>	<hr/>	<hr/>
At 31 December 2014	32,880	47,338	1,896,053
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2014	15,169	36,250	323,530
Charge for year	4,428	4,192	172,149
	<hr/>	<hr/>	<hr/>
At 31 December 2014	19,597	40,442	495,679
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2014	13,283	6,896	1,400,374
	<hr/>	<hr/>	<hr/>
At 31 December 2013	17,711	3,004	205,455
	<hr/>	<hr/>	<hr/>

Cost or valuation at 31 December 2014 is represented by:

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
Valuation in 2014	-	1,065,000	-
Cost	74,773	663,763	12,299
	<hr/>	<hr/>	<hr/>
	74,773	1,728,763	12,299
	<hr/>	<hr/>	<hr/>

	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2014	-	-	1,065,000
Cost	32,880	47,338	831,053
	<hr/>	<hr/>	<hr/>
	32,880	47,338	1,896,053
	<hr/>	<hr/>	<hr/>

If plant and machinery had not been revalued it would have been included at the following historical cost:

	2014	2013 as restated
	£	£
Cost	663,763	413,763
	<hr/>	<hr/>
Aggregate depreciation	298,003	240,417
	<hr/>	<hr/>

Plant and machinery was valued on an open market value basis on 31 December 2014 by professional valuers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

11. FIXED ASSET INVESTMENTS

Company

**Shares in
group
undertakings
£**

COST

At 1 January 2014
and 31 December 2014

116,833

NET BOOK VALUE

At 31 December 2014

116,833

At 31 December 2013

116,833

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Milspeed S.A. (Proprietary) Limited

Country of incorporation: South Africa

Nature of business: Importers and exporters

Class of shares:

%
holding
80.00

Ordinary

31.5.14

31.5.13

£

£

Aggregate capital and reserves

48,382

51,663

(Loss)/profit for the year

(3,281)

3,117

Milspeed (India) Private Limited

Country of incorporation: India

Nature of business: Importers and exporters

Class of shares:

%
holding
98.00

Ordinary

2014

2013

£

£

Aggregate capital and reserves

182,454

138,777

Profit/(loss) for the year

43,677

(38,722)

12. STOCKS

	Group		Company	
	2014	2013	2014	2013
		as restated		as restated
	£	£	£	£
Valuation	3,042,323	2,754,144	2,697,926	2,384,872

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
		as restated		as restated
	£	£	£	£
Trade debtors	1,254,636	1,050,224	826,405	610,554
Amounts owed by group undertakings	-	-	594,925	644,512
Other debtors	70,814	121,497	16,390	72,990
Directors' loan accounts	228,217	192,815	228,217	192,815
Prepayments	74,725	59,390	74,254	58,558
	<u>1,628,392</u>	<u>1,423,926</u>	<u>1,740,191</u>	<u>1,579,429</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
		as restated		as restated
	£	£	£	£
Bank loans and overdrafts (see note 15)	1,603,786	876,899	1,610,780	896,370
Trade creditors	730,672	1,123,918	750,933	1,105,588
Tax	180,966	194,406	147,500	160,940
Social security and other taxes	34,820	32,081	32,702	30,069
Other creditors	2,674	-	2,674	-
Accrued expenses	112,169	147,194	112,139	146,641
	<u>2,665,087</u>	<u>2,374,498</u>	<u>2,656,728</u>	<u>2,339,608</u>

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2014	2013	2014	2013
		as restated		as restated
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	295,817	76,563	302,811	96,034
Bank loans	1,307,969	800,336	1,307,969	800,336
	<u>1,603,786</u>	<u>876,899</u>	<u>1,610,780</u>	<u>896,370</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

16. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2014	2013	2014	2013
		as restated		as restated
	£	£	£	£
Bank overdrafts	295,817	-	302,811	96,034
Bank loans	1,307,969	-	1,307,969	800,336
	<u>1,603,786</u>	<u>-</u>	<u>1,610,780</u>	<u>896,370</u>

The bank overdraft and loans are secured by legal charge over various land and property assets, together with a debenture over book and other debts, chattels and goodwill.

17. PROVISIONS FOR LIABILITIES

	Group		Company	
	2014	2013	2014	2013
		as restated		as restated
	£	£	£	£
Deferred tax	16,185	29,158	17,000	30,000
Other provisions	250,000	-	250,000	-
Aggregate amounts	<u>266,185</u>	<u>29,158</u>	<u>267,000</u>	<u>30,000</u>

Group

	Deferred tax	Restoration provision
	£	£
Balance at 1 January 2014	29,158	-
Provided during year	-	250,000
Credit to Profit and Loss Account during year	(12,973)	-
Balance at 31 December 2014	<u>16,185</u>	<u>250,000</u>

Company

	Deferred tax	Restoration provision
	£	£
Balance at 1 January 2014	30,000	-
Provided during year	-	250,000
Credit to Profit and Loss Account during year	(13,000)	-
Balance at 31 December 2014	<u>17,000</u>	<u>250,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

18. MINORITY INTERESTS

Equity minority interests represent the share of profits on ordinary activities attributable to the interests of the equity shareholders in Milspeed S.A. (Proprietary) Limited and Milspeed (India) Private Limited which are not wholly owned by the group.

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013 as restated
			£	£
5,000	Ordinary shares	£1	<u>5,000</u>	<u>5,000</u>

20. RESERVES

Group

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 January 2014	2,030,314	-	2,030,314
Prior year adjustment	131,887		131,887
	<u>2,162,201</u>		<u>2,162,201</u>
Profit for the year	432,928		432,928
Dividends	(99,000)		(99,000)
Plant revaluation	-	1,065,000	1,065,000
Depreciation on revaluation	97,625	(97,625)	-
	<u>2,593,754</u>	<u>967,375</u>	<u>3,561,129</u>

Company

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 January 2014	1,920,416	-	1,920,416
Prior year adjustment	131,887		131,887
	<u>2,052,303</u>		<u>2,052,303</u>
Profit for the year	392,839		392,839
Dividends	(99,000)		(99,000)
Plant revaluation	-	1,065,000	1,065,000
Depreciation on revaluation	97,625	(97,625)	-
	<u>2,443,767</u>	<u>967,375</u>	<u>3,411,142</u>

21. RELATED PARTY DISCLOSURES

During the year, total dividends of £99,000 were paid to the directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

21. RELATED PARTY DISCLOSURES - continued

D R Speed and I J Milhench have given personal guarantees to the company's bankers amounting to £75,000 each.

I J Milhench

A director of the company

	2014	2013 as restated
	£	£
Amount due from related party at the balance sheet date	<u>126,798</u>	<u>108,118</u>

D R Speed

	2014	2013 as restated
	£	£
Amount due from related party at the balance sheet date	<u>101,419</u>	<u>84,797</u>

Milspeed S.A. (Proprietary) Limited

A subsidiary company

Materials were sold at a market price of £72,830

	2014	2013 as restated
	£	£
Amount due from related party at the balance sheet date	<u>59,263</u>	<u>55,275</u>

Milspeed (India) Private Limited

A subsidiary company

Materials were sold at a market price of £531,602.

	2014	2013 as restated
	£	£
Amount due from related party at the balance sheet date	<u>535,662</u>	<u>589,237</u>

22. POST BALANCE SHEET EVENTS

On 18 December 2015 the company entered into an agreement to purchase 2500 of its own shares from a shareholder. The purchase price has been agreed at £795.20 per share. The purchase will take place over 5 tranches commencing 18 December 2015 and ceasing 30 June 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2014	2013 as restated
	£	£
Profit for the financial year	432,928	450,300
Dividends	(99,000)	(107,419)
	333,928	342,881
Other recognised gains and losses relating to the year (net)	1,065,000	-
Net addition to shareholders' funds	1,398,928	342,881
Opening shareholders' funds (originally £2,035,314 before prior year adjustment of £131,887)	2,167,201	1,824,320
Closing shareholders' funds	3,566,129	2,167,201

Company

	2014	2013 as restated
	£	£
Profit for the financial year	392,839	495,194
Dividends	(99,000)	(107,419)
	293,839	387,775
Other recognised gains and losses relating to the year (net)	1,065,000	-
Net addition to shareholders' funds	1,358,839	387,775
Opening shareholders' funds (originally £1,925,416 before prior year adjustment of £131,887)	2,057,303	1,669,528
Closing shareholders' funds	3,416,142	2,057,303