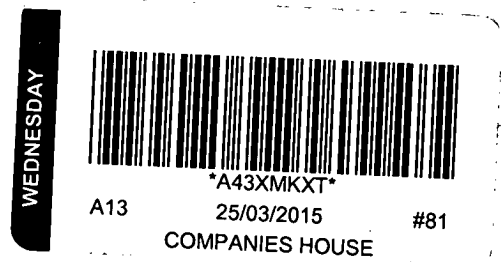


COMPANIES HOUSE

# Financial Statements Birley Manufacturing Limited

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For the year ended 31 December 2014



Registered number: 03728374

**Birley Manufacturing Limited**

## Company Information

<b>Registered number</b>	03728374
<b>Registered office</b>	Birley Vale Avenue Birley Vale SHEFFIELD S12 2AX
<b>Directors</b>	M G Barlow S English
<b>Company secretary</b>	T D Roberts
<b>Bankers</b>	HSBC Bank plc 17 Church Street SHEFFIELD S1 1HZ
<b>Solicitors</b>	DLA Fountain Precinct Balm Green SHEFFIELD S1 1RZ
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2 Broadfield Court SHEFFIELD S8 0XF

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# Directors' report

For the year ended 31 December 2014

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

## **Principal activities**

The company is engaged in the manufacture and installation of bespoke joinery and metalwork products to businesses operating in the UK, Ireland and mainland Europe. There have been no changes in the company's activities in the year under review.

## **Results and dividends**

The profit for the year, after taxation, amounted to £719,655 (2013 - £223,791).

No dividend was paid during the year (2013 - £NIL). The directors do not recommend payment of a final dividend.

## **Directors**

The directors who served during the year were:

M G Barlow  
S English

## **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

## Directors' report

For the year ended 31 December 2014

### **Disclosure of information to auditor**

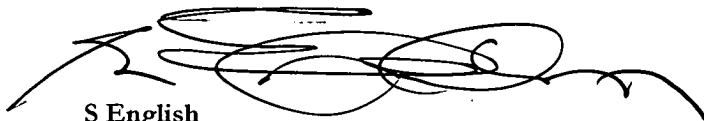
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is 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 relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 24 March 2015 and signed on its behalf.



**S English**  
**Director**

## Strategic report

For the year ended 31 December 2014

The directors present their Strategic report for the year ended 31 December 2014.

### **Business review**

Manufacturing conditions in the UK appear to be easing, however, it remains to be seen if this is sustained in the medium and longer term. The company has a robust business strategy and is continuing to focus on growth through distinct business sectors. Ongoing enhancement of relationships with key blue chip customers continues and this is assisting with the growth of the business. The business is in negotiation with new blue chip clients and this is encouraging for the future.

The financial statements have been prepared on a going concern basis. The directors have determined that this is the appropriate basis of preparation of the financial statements.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future with reference to current financial forecasts for the period to 31 March 2016. The company has remained and expects to remain within its facilities at all times. Accordingly, the going concern basis has been adopted in preparing the annual report and accounts.

### **Principal risks and uncertainties**

#### **Manufacturing conditions**

Manufacturing conditions in the UK remain challenging given the current business environment. The group is focusing on its long term relationships with supermarket clients, who are continuing their growth strategies. A growth strategy is also in place to develop new clients.

#### **Credit risk**

The group's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers and by monitoring payments against contractual arrangements.

Cash flow will continue to be an important factor to the business and will continue to be monitored by the Senior Management Team.

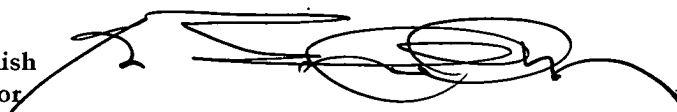
### **Financial key performance indicators**

The company's key financial performance indicators include the monitoring of margins and profitability. The following shows the key financial indicators;

Turnover £12,299,480 (2013: £9,925,997)  
Gross profit £3,782,841 (2013: £2,909,597)  
Gross profit margin 30.8% (2013: 29.3%)  
Net profit (before tax) £918,549 (2013: £283,698)  
Net profit margin 7.5% (2013: 2.9%).

This report was approved by the board on 24 March 2015 and signed on its behalf.

S English  
Director



## Independent auditor's report to the members of Birley Manufacturing Limited

We have audited the financial statements of Birley Manufacturing Limited for the year ended 31 December 2014, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and reconciliation of net cash flow to movement in net funds/debt 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 Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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](http://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 December 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent auditor's report to the members of Birley Manufacturing 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.

*Michael Redfern*

Michael Redfern (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
SHEFFIELD

24 March 2015



## Profit and loss account

For the year ended 31 December 2014

	Note	2014 £	2013 £
<b>Turnover</b>	1,2	12,299,480	9,925,997
Cost of sales		<u>(8,516,639)</u>	<u>(7,016,400)</u>
<b>Gross profit</b>		3,782,841	2,909,597
Administrative expenses		<u>(3,043,313)</u>	<u>(2,583,117)</u>
Other operating income	3	<u>223,500</u>	<u>-</u>
<b>Operating profit</b>	4	963,028	326,480
Interest payable and similar charges	7	<u>(44,479)</u>	<u>(42,782)</u>
<b>Profit on ordinary activities before taxation</b>		918,549	283,698
Tax on profit on ordinary activities	8	<u>(198,894)</u>	<u>(59,907)</u>
<b>Profit for the financial year</b>		<u><u>719,655</u></u>	<u><u>223,791</u></u>

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.

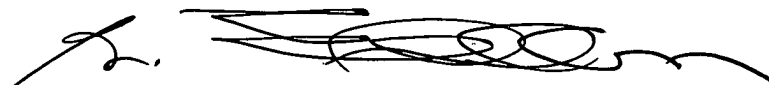
The notes on pages 9 to 20 form part of these financial statements.

## Balance sheet

As at 31 December 2014

	Note	£	2014 £	2013 £
<b>Fixed assets</b>				
Tangible assets	9		484,349	199,599
<b>Current assets</b>				
Stocks	10	2,797,746	2,805,232	
Debtors	11	2,267,143	2,776,046	
Cash at bank		577,148	61,523	
		<u>5,642,037</u>	<u>5,642,801</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(2,869,603)</u>	<u>(3,344,403)</u>	
<b>Net current assets</b>			<u>2,772,434</u>	<u>2,298,398</u>
<b>Total assets less current liabilities</b>			<u>3,256,783</u>	<u>2,497,997</u>
<b>Creditors: amounts falling due after more than one year</b>	13		(25,025)	(46,200)
<b>Provisions for liabilities</b>				
Deferred tax	14	(51,000)	-	
Other provisions	15	<u>(40,251)</u>	<u>(30,945)</u>	
			<u>(91,251)</u>	<u>(30,945)</u>
<b>Net assets</b>			<u><u>3,140,507</u></u>	<u><u>2,420,852</u></u>
<b>Capital and reserves</b>				
Called up share capital	16		2	2
Profit and loss account	17		<u>3,140,505</u>	<u>2,420,850</u>
<b>Shareholders' funds</b>	18		<u><u>3,140,507</u></u>	<u><u>2,420,852</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 March 2015.



**S English**  
**Director**

The notes on pages 9 to 20 form part of these financial statements.

## Cash flow statement

For the year ended 31 December 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	19	1,161,108	(73,845)
Returns on investments and servicing of finance	20	(44,479)	(42,782)
Taxation		(34,594)	-
Capital expenditure and financial investment	20	(62,439)	(59,039)
<b>Cash inflow/(outflow) before financing</b>		<b>1,019,596</b>	<b>(175,666)</b>
Financing	20	(503,971)	209,670
<b>Increase in cash in the year</b>		<b>515,625</b>	<b>34,004</b>

## Reconciliation of net cash flow to movement in net funds/debt

For the year ended 31 December 2014

	2014 £	2013 £
Increase in cash in the year	515,625	34,004
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	503,971	(209,670)
<b>Movement in net debt in the year</b>	<b>1,019,596</b>	<b>(175,666)</b>
Net debt at 1 January 2014	(487,273)	(311,607)
<b>Net funds/(debt) at 31 December 2014</b>	<b>532,323</b>	<b>(487,273)</b>

The notes on pages 9 to 20 form part of these financial statements.

# Notes to the financial statements

For the year ended 31 December 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.

The accounting policies have remained unchanged from the previous year and are set out below.

### 1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have determined that this is the appropriate basis of preparation of the financial statements.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future with reference to current financial forecasts for the period to 31 March 2016. The company has remained and expects to remain within its facilities at all times. Accordingly, the going concern basis has been adopted in preparing the annual report and accounts.

### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue on the sale of goods is recognised in the profit and loss account when the significant risks and rewards of ownership have been transferred, which is typically upon delivery of goods to the customer. Revenue on the provision of services is recognised in the period in which the services are rendered.

In respect of long-term contracts and contracts where the installation of the joinery and metal work products is ongoing, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

### 1.4 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:

Plant & machinery	-	15% straight line
Fixtures, fittings & office equipment	-	15 % / 33.3% straight line

### 1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

## Notes to the financial statements

For the year ended 31 December 2014

### **1. Accounting policies (continued)**

#### **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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

#### **1.7 Stocks and work in progress**

Stocks and work in progress 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.

#### **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 Government grants**

Government grants are credited to the profit and loss account as the related expenditure is incurred.

#### **1.10 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

#### **1.11 Warranty provision**

A warranty provision is recognised as a liability in the financial statements where any unavoidable future cost can be measured reliably and a transfer of economic benefit is required to settle the transaction.

# Notes to the financial statements

For the year ended 31 December 2014

## 1. Accounting policies (continued)

### 1.12 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

## 2. Turnover

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

## 3. Other operating income

	2014	2013
	£	£
Government grants receivable	223,500	-

## 4. Operating profit

The operating profit is stated after charging:

	2014	2013
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	39,026	41,611
- held under hire purchase	21,163	16,500
Auditor's remuneration	12,500	12,000
Operating lease rentals:		
- plant and machinery	20,521	24,606
- other operating leases	134,500	134,500

# Notes to the financial statements

For the year ended 31 December 2014

## 5. Staff costs

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

	2014	2013
	£	£
Wages and salaries	2,738,096	2,520,195
Social security costs	292,706	263,181
Other pension costs	70,417	60,591
	<u>3,101,219</u>	<u>2,843,967</u>

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

	2014	2013
	No.	No.
Direct	49	45
Administration	41	46
	<u>90</u>	<u>91</u>

## 6. Directors' remuneration

	2014	2013
	£	£
Emoluments	<u>118,450</u>	<u>121,977</u>
Company pension contributions to money purchase pension schemes	<u>5,056</u>	<u>4,502</u>

During the year 1 director (2013 - 1) participated in defined contribution pension schemes.

## 7. Interest payable and similar charges

	2014	2013
	£	£
On bank loans and overdrafts	3,965	2,925
On hire purchase contracts	3,105	3,363
Other interest payable and similar charges	37,409	36,494
	<u>44,479</u>	<u>42,782</u>

# Notes to the financial statements

For the year ended 31 December 2014

## 8. Taxation

	2014 £	2013 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	134,500	25,700
Adjustments in respect of prior periods	8,894	-
<b>Total current tax</b>	<b>143,394</b>	<b>25,700</b>
<b>Deferred tax</b> (see note 14)		
Origination and reversal of timing differences	55,500	34,207
<b>Tax on profit on ordinary activities</b>	<b>198,894</b>	<b>59,907</b>

### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	918,549	283,698
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	197,488	65,960
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,242	893
Capital allowances for year in excess of depreciation	(69,203)	(10,405)
Utilisation of tax losses	-	(30,470)
Adjustments to tax charge in respect of prior periods	8,894	-
Short term timing difference leading to an increase/ (decrease) in taxation	1,973	1,208
Marginal relief	-	(1,486)
<b>Current tax charge for the year</b> (see note above)	<b>143,394</b>	<b>25,700</b>



# Notes to the financial statements

For the year ended 31 December 2014

## 9. Tangible fixed assets

	Plant & machinery £	Fixtures, fittings & office equipment £	Total £
<b>Cost</b>			
At 1 January 2014	1,305,516	725,678	2,031,194
Additions	315,068	29,871	344,939
Disposals	(185,010)	-	(185,010)
At 31 December 2014	<u>1,435,574</u>	<u>755,549</u>	<u>2,191,123</u>
<b>Depreciation</b>			
At 1 January 2014	1,152,031	679,564	1,831,595
Charge for the year	39,327	20,862	60,189
On disposals	(185,010)	-	(185,010)
At 31 December 2014	<u>1,006,348</u>	<u>700,426</u>	<u>1,706,774</u>
<b>Net book value</b>			
At 31 December 2014	<u>429,226</u>	<u>55,123</u>	<u>484,349</u>
At 31 December 2013	<u>153,485</u>	<u>46,114</u>	<u>199,599</u>

The net book value of assets held under hire purchase contracts, included above, are as follows:

	2014 £	2013 £
Plant and machinery	<u>378,219</u>	<u>80,025</u>

## 10. Stocks

	2014 £	2013 £
Raw materials	358,863	584,011
Work in progress	398,042	269,168
Finished goods and goods for resale	2,040,841	1,952,053
	<u>2,797,746</u>	<u>2,805,232</u>

# Notes to the financial statements

For the year ended 31 December 2014

## 11. Debtors

	2014	2013
	£	£
Trade debtors	2,136,044	2,684,520
Other debtors	26,904	2,289
Prepayments and accrued income	104,195	84,737
Deferred tax asset (see note 14)	-	4,500
	<u>2,267,143</u>	<u>2,776,046</u>

## 12. Creditors:

### Amounts falling due within one year

	2014	2013
	£	£
Invoice financing facility	-	482,796
Net obligations under hire purchase contracts	19,800	19,800
Trade creditors	1,568,953	1,878,915
Corporation tax	134,500	25,700
Other taxation and social security	483,100	633,846
Other creditors	283,009	23,433
Accruals and deferred income	380,241	279,913
	<u>2,869,603</u>	<u>3,344,403</u>

The invoice financing facility is secured by way of a fixed and floating charge over the assets of the company.

## 13. Creditors:

### Amounts falling due after more than one year

	2014	2013
	£	£
Net obligations under hire purchase contracts	<u>25,025</u>	<u>46,200</u>

Obligations under hire purchase contracts, included above, are payable as follows:

	2014	2013
	£	£
Between one and five years	<u>25,025</u>	<u>46,200</u>

# Notes to the financial statements

For the year ended 31 December 2014

## 14. Deferred taxation

	2014	2013
	£	£
At beginning of year	4,500	38,707
Movement during year	(55,500)	(34,207)
At end of year	<u>(51,000)</u>	<u>4,500</u>

The deferred taxation balance is made up as follows:

	2014	2013
	£	£
Accelerated capital allowances	(66,094)	(1,600)
Other timing difference	15,094	6,100
	<u>(51,000)</u>	<u>4,500</u>

## 15. Provisions

	Warranties
	£
At 1 January 2014	30,945
Provided during the year	9,306
At 31 December 2014	<u>40,251</u>

### Warranties

Birley Manufacturing Limited provides a 2 year warranty on certain work it undertakes. A provision for the costs associated with honouring these warranties has been included at the year end.

## 16. Share capital

	2014	2013
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

# Notes to the financial statements

For the year ended 31 December 2014

## 17. Reserves

	Profit and loss account £
At 1 January 2014	2,420,850
Profit for the financial year	719,655
	<hr/>
At 31 December 2014	3,140,505
	<hr/>

## 18. Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Opening shareholders' funds	2,420,852	2,197,061
Profit for the financial year	719,655	223,791
	<hr/>	<hr/>
Closing shareholders' funds	3,140,507	2,420,852
	<hr/>	<hr/>

## 19. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	963,028	326,480
Depreciation of tangible fixed assets	60,189	58,111
Profit on disposal of tangible fixed assets	(3,500)	(1,237)
Decrease/(increase) in stocks	7,485	(429,949)
Decrease/(increase) in debtors	504,403	(862,831)
(Decrease)/increase in creditors	(379,803)	827,404
Increase in provisions	9,306	8,177
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities	1,161,108	(73,845)
	<hr/>	<hr/>

## 20. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(41,374)	(39,419)
Hire purchase interest	(3,105)	(3,363)
	<hr/>	<hr/>
Net cash outflow from returns on investments and servicing of finance	(44,479)	(42,782)
	<hr/>	<hr/>

# Notes to the financial statements

For the year ended 31 December 2014

## 20. Analysis of cash flows for headings netted in cash flow statement (continued)

	2014 £	2013 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(65,939)	(60,543)
Sale of tangible fixed assets	3,500	1,504
<b>Net cash outflow from capital expenditure</b>	<b>(62,439)</b>	<b>(59,039)</b>
	2014 £	2013 £
<b>Financing</b>		
Invoice financing facility	-	229,470
Repayment of invoice financing facility	(482,796)	-
New hire purchase	-	-
Repayment of hire purchase	(21,175)	(19,800)
<b>Net cash (outflow)/inflow from financing</b>	<b>(503,971)</b>	<b>209,670</b>

## 21. Analysis of changes in net debt

	1 January 2014 £	Cash flow £	31 December 2014 £
Cash at bank and in hand	61,523	515,625	577,148
<b>Debt:</b>			
Hire purchase	(66,000)	21,175	(44,825)
Debts due within one year	(482,796)	482,796	-
<b>Net debt</b>	<b>(487,273)</b>	<b>1,019,596</b>	<b>532,323</b>

## 22. Contingent liabilities

The company is party to an unlimited guarantee in respect of amounts owing to the bank by Birley Manufacturing Holdings Limited. At 31 December 2014 this amounted to £NIL (2013 - £NIL).

## 23. Capital commitments

The company had no capital commitments as at 31 December 2014 or 31 December 2013.

# Notes to the financial statements

For the year ended 31 December 2014

## 24. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £70,416 (2013 - £60,591). Contributions amounting to £3,172 (2013 - £3,973) were payable to the fund at the year end and are included in creditors.

## 25. Operating lease commitments

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

	Land and buildings			Other
	2014	2013	2014	2013
	£	£	£	£
<b>Expiry date:</b>				
Within 1 year	-	-	4,689	1,289
Between 2 and 5 years	134,500	134,500	12,622	12,993
<b>Total</b>	<b>134,500</b>	<b>134,500</b>	<b>17,311</b>	<b>14,282</b>

# Notes to the financial statements

For the year ended 31 December 2014

## 26. Related party disclosures

The company is a wholly owned subsidiary of Birley Manufacturing Holdings Limited and has taken advantage of the exemption provided by FRS 8 not to disclose transactions with its parent company.

	2014 £	2013 £
<b>Purchases from related parties</b>		
Barlow Group Limited	83,803	-
Keetons Management Services Limited	141,500	141,500
<b>Sales to related parties</b>		
Barlow Group Limited	28,557	378,677
<b>Management charges from related parties</b>		
Keetons Management Services Limited	117,515	113,240
<b>Amounts owed to related parties</b>		
Barlow Group Limited	50,020	-
Keetons Management Services Limited	30,604	30,059
<b>Amounts due from related parties</b>		
Barlow Group Limited	-	9,798

Barlow Group Limited and Keetons Management Services Limited are companies in which Michael Barlow is a director and controlling shareholder. Michael Barlow is also a director and controlling shareholder of Birley Manufacturing Holdings Limited.

All transactions were at arms length value. The amounts owed to and due from related parties shown above are inclusive of VAT.

## 27. Ultimate parent undertaking and controlling party

The ultimate parent undertaking of the company is Birley Manufacturing Holdings Limited, a company incorporated in England and Wales. The ultimate controlling party of the company is M G Barlow by virtue of his 100% shareholding of Birley Manufacturing Holdings Limited.