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COMPANIES HOUSE

28 AUG 2009

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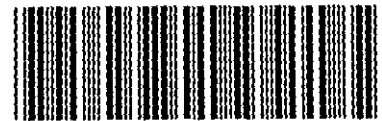
**Assembly Solutions and Tools Limited**

**Directors' report and financial  
statements**

**Registered number 206005**

**26 October 2008**

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COMPANIES HOUSE

## Contents

Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	3
Independent auditors' report to the members of Assembly Solutions and Tools Limited	4
Profit and Loss Account	6
Balance Sheet	7
Notes	8

## **Officers and professional advisers**

### **Directors**

A Gowing  
SM Melville  
P Dear (Non Executive)  
NR Carrick  
EDW Phillips  
D Robinson

### **Company Secretary**

DB Robinson

### **Registered office**

Mackinnons  
14 Carden Place  
Aberdeen  
AB10 1UR

### **Auditors**

KPMG Audit Plc  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

## Directors' report

The directors submit their report and the financial statements of Assembly Solutions and Tools Limited for the fifty two weeks ended 26 October 2008 ("the year").

### Results and dividends

The loss for the period, amounting to £127,253 (2007: £457,913), has been dealt with as shown in the profit and loss account. No dividends have been paid or proposed in the year (2007: £nil).

### Principal activities

The principal activity of the company continued to be the supply, hire, service and repair of pneumatic and hydraulic tools until 31 May 2008.

At that date the company's trade, assets and liabilities were transferred to another group company for a consideration equal to net asset book value.

### Directors

The directors of the company during the period ended 26 October 2008 were as noted on page 1 with the exception of S Mitchell who resigned on 31 January 2009, PA Jonsson who resigned on 1 June 2008, and G Middleton who resigned on 31 January 2008.

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

By order of the board



D Robinson  
Director

Mackinnons  
14 Carden Place  
Aberdeen  
AB10 1UR

28 August 2009

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **KPMG Audit Plc**

1 The Embankment  
Neville Street  
Leeds  
LS1 4DW  
United Kingdom

### **Independent auditors' report to the members of Assembly Solutions and Tools Limited**

We have audited the financial statements of Assembly Solutions and Tools Limited for the year ended 26 October 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Independent auditors' report to the members of Assembly Solutions and Tools Limited (*continued*)**

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 26 October 2008 and of its loss for the 52 weeks then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*KPMG Audit Plc*

**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditor*

28 August 2009

**Profit and Loss Account**  
*for the 52 weeks 26 October 2008*

	<i>Note</i>	<b>Year ended 26 October 2008 £</b>	<b>11 months ended 28 October 2007 £</b>
<b>Turnover</b>		<b>728,863</b>	<b>2,150,875</b>
Cost of sales		(281,292)	(1,273,314)
<b>Gross profit</b>		<b>447,571</b>	<b>877,561</b>
Administrative expenses		(571,876)	(1,506,685)
<b>Operating loss</b>	<b>2</b>	<b>(124,305)</b>	<b>(629,124)</b>
Interest receivable and similar income		1,020	57
Interest payable and similar charges	<b>5</b>	(8,655)	(22,201)
<b>Loss on ordinary activities before taxation</b>		<b>(131,940)</b>	<b>(651,268)</b>
Taxation	<b>6</b>	4,687	193,355
<b>Loss for the financial period</b>	<b>13</b>	<b>(127,253)</b>	<b>(457,913)</b>

There are no recognised gains and losses other than the loss for the financial period stated above.

The above results are derived from discontinued activities



**Balance Sheet**  
*at 26 October 2008*

	<i>Note</i>	<b>28 October 2008 £</b>	<b>28 October 2007 £</b>
<b>Fixed assets</b>			
Tangible assets	7	-	108,942
		<hr/>	<hr/>
		-	108,942
<b>Current assets</b>			
Stocks and work in progress	8	-	225,491
Debtors	9	735,076	473,915
Cash at bank and in hand		-	13,431
		<hr/>	<hr/>
		735,076	712,837
<b>Creditors: amounts falling due within one year</b>	10	(1,413,088)	(437,908)
		<hr/>	<hr/>
<b>Net current (liabilities)/ assets</b>		(678,012)	274,929
		<hr/>	<hr/>
<b>Total assets less current (liabilities)/ assets</b>		(678,012)	383,871
<b>Creditors: amounts falling due after one year</b>	11	-	(934,630)
		<hr/>	<hr/>
<b>Net liabilities</b>		(678,012)	(550,759)
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	12	25,000	25,000
Profit and loss account	13	(703,012)	(575,759)
		<hr/>	<hr/>
<b>Shareholders' deficit</b>	13	(678,012)	(550,759)
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 28 August 2009 and were signed on its behalf by:



**N R Carrick**  
 Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

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

#### *Basis of accounts preparation*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. The company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary.

The company has net liabilities of £678,012 and included in creditors is the sum of £135,375 owed to the parent company and £1,277,713 owed to a fellow subsidiaries, both of which have confirmed that they will not call on full repayment of these loans for as long as necessary to ensure the ongoing viability of the company. The directors therefore consider it to be appropriate for the accounts to be prepared on a going concern basis.

#### *Depreciation*

The cost of fixed assets is written off by equal monthly instalments over their expected useful lives as follows:

Furniture and fittings	10 years
Plant and equipment	5 years
Office equipment	5 years
Motor vehicles	4 years

#### *Stocks*

Stocks are valued at the lower of cost and net realisable value with due allowance for any obsolete or slow moving items. In the case of work in progress, cost comprises direct materials and labour.

#### *Taxation*

The charge for taxation is based on the loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### *Leasing and hire purchase commitments*

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease on a straight line basis.

Rentals paid under operating leases are charged to income over the term of the lease.

#### *Pensions*

The company operated and contributes towards defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**Notes (continued)**

**2 Operating loss is stated after charging/(crediting)**

	Year ended 26 October 2008 £	11 month Period ended 28 October 2007 £
Auditors' remuneration	2,000	8,000
Depreciation of owned fixed assets	28,528	56,928
Depreciation of assets held under finance leases and hire purchase contracts	-	14,691
Loss/(gain) on exchange	1,210	(5,280)
Loss on disposal of assets	-	8,732
	<hr/>	<hr/>

**3 Staff costs and numbers**

	Year ended 26 October 2008 £	11 month Period ended 28 October 2007 £
Wages and salaries	314,447	793,602
Social security costs	29,407	77,003
Other pension costs	6,420	13,759
	<hr/>	<hr/>
	350,274	884,364
	<hr/>	<hr/>

The average number of persons employed by the company, including directors, during the period, was as follows:

	Year ended 26 October 2008 No	11 month Period ended 28 October 2007 No
Management/administration	2	9
Sales	-	4
Workshop	26	28
	<hr/>	<hr/>
	28	41
	<hr/>	<hr/>

## Notes (continued)

### 4 Directors' remuneration

	Year ended 26 October 2008 £	11 month Period ended 28 October 2007 £
Emoluments (including benefits in kind)	-	-

Directors' remuneration was paid by the holding company for all directors. The directors do not believe it practicable to apportion these amounts between their services as directors of the company and their services as directors of the holding company.

### 5 Interest payable and similar charges

	Year ended 26 October 2008 £	11 month Period ended 28 October 2007 £
Bank overdraft and loan interest	-	834
Hire purchase and finance lease charges	1,039	1,384
Other interest and charges	7,616	19,983
	<u>8,655</u>	<u>22,201</u>

## Notes (continued)

### 6 Taxation

	Year ended 26 October 2008 £	11 month Period ended 28 October 2007 £
UK corporation tax	(30,000)	(183,000)
Deferred tax	-	(36,898)
Adjustment in respect of prior years: Deferred tax	25,313	26,543
	<u>(4,687)</u>	<u>(193,355)</u>

#### *Factors affecting the tax credit for the current year*

The current tax credit for the period is lower (2007: lower) than the standard rate of corporation tax in the UK (28.85%, 2007: 30 %). The differences are explained below.

	Year ended 26 October 2008 £	11 month Period ended 28 October 2007 £
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(131,940)	(651,268)
Current tax at 28.85% (2007: 30%)	(38,065)	(195,380)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	-	869
Capital allowances for period in excess of depreciation	8,230	10,533
Other short term timing differences	(165)	211
Adjustments to tax charge in respect of previous periods	-	767
Total current tax credit (see above)	<u>(30,000)</u>	<u>(183,000)</u>

## Notes (continued)

### 7 Tangible fixed assets

	Fixtures and fittings £	Plant and equipment £	Office equipment £	Motor vehicles £	Total £
<i>Cost</i>					
At 28 October 2007	35,898	89,798	45,837	93,146	264,679
Group transfers out	(35,898)	(89,798)	(45,837)	(93,146)	(264,679)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 26 October 2008	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 28 October 2007	16,951	42,595	35,323	60,868	155,737
Charge for the period	2,094	7,503	5,348	13,584	28,529
Group transfers out	(19,045)	(50,098)	(40,671)	(74,452)	(184,266)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 26 October 2008	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 26 October 2008	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 28 October 2007	18,947	47,203	10,514	32,278	108,942
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The net book value of tangible fixed assets includes an amount of £nil (2007: £16,999) in respect of assets held under hire purchase and finance lease contracts.

### 8 Stocks and work in progress

	26 October 2008 £	28 October 2007 £
Raw material and consumables	-	217,056
Consignment	-	8,435
	<hr/>	<hr/>
	-	225,491
	<hr/>	<hr/>

## Notes (continued)

### 9 Debtors

	26 October 2008 £	28 October 2007 £
Trade debtors	-	253,583
Prepayments and accrued income	-	20,884
Amounts owed by fellow subsidiaries	735,076	-
Corporation tax – group relief	-	183,000
Deferred tax asset	-	5,355
Other debtors	-	11,093
	<u>735,076</u>	<u>473,915</u>

### 10 Creditors: amounts falling due within one year

	26 October 2008 £	28 October 2007 £
Trade creditors	-	329,235
Amounts owed to ultimate holding company	135,375	-
Amounts owed to fellow subsidiaries	1,277,713	-
Taxation and social security	-	23,428
Accruals and deferred income	-	74,902
Hire purchase	-	10,343
	<u>1,413,088</u>	<u>437,908</u>

The bank borrowings are secured by a bond and floating charge over the assets of the company.

### 11 Creditors: amounts falling due after more than one year

	26 October 2008 £	28 October 2007 £
Amounts owed to parent company	-	126,853
Amounts owed to fellow subsidiary	-	794,173
Hire purchase	-	13,604
	<u>-</u>	<u>934,630</u>

## Notes (continued)

### 12 Called up share capital

	26 October 2008 £	28 October 2007 £
<i>Authorised</i>		
Ordinary shares of £1 each	25,000	25,000
	<u>25,000</u>	<u>25,000</u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

### 13 Reconciliation of movements in shareholders' deficit

	Share capital £	Profit and loss account £	Total £
As at 28 October 2007	25,000	(575,759)	(550,759)
Loss for the financial period	-	(127,253)	(127,253)
	<u>25,000</u>	<u>(703,012)</u>	<u>(678,012)</u>
As at 26 October 2008	25,000	(703,012)	(678,012)



**Notes** *(continued)*

**14 Contingent liability**

The company has given a guarantee in respect of the bank borrowings of the other group companies.

**15 Related party transactions**

The company has taken advantage of the exemption from disclosing related party transactions with other group companies, as permitted by Financial Reporting Standard No 8 as the consolidated financial statements in which the company is included are publicly available.

**16 Ultimate parent company**

The company is a subsidiary undertaking of Cosalt plc, which is the ultimate parent company, incorporated in England. The consolidated accounts of this company are available to the public and may be obtained from Fish Dock Road, Grimsby DN31 3NW.