

Financial Statements Cash's (UK) Limited

For the year ended 30 September 2012



Registered number: 00043765

Cash's (UK) Limited

Company Information

Company number 00043765

Registered office Torrington Avenue
Tile Hill
Coventry
CV4 9UZ

Directors Dr A G Ives
S A R Moreau
A Durber

Company secretary A Durber

Bankers The Royal Bank of Scotland plc
1st Floor
Rowan House
Westwood Business Park
Coventry
CV4 8LE

Auditor Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
Regent House
80 Regent Road
Leicester
LE1 7NH

Cash's (UK) Limited

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Cash's (UK) Limited

Directors' report

For the year ended 30 September 2012

The directors present their report and the financial statements for the year ended 30 September 2012

Principal activities

The company is principally engaged in the manufacture and supply of woven labels, name tapes, badges and unique identification labels

Business review

It is the directors' intention to develop the existing activities as opportunities arise

Results and dividends

The profit for the year after taxation amounted to £121,078 (2011 - £205,325)

Particulars of dividends are detailed in the notes to the financial statements

Financial instruments

The company uses various financial instruments, these include cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations

The main risks arising from the company's financial instruments are liquidity risk, credit risk and currency risk. The directors review and agree policies for managing each of these risks and they are summarised below

Principal risks and uncertainties

Liquidity risk

The company seeks to manage liquidity risk by ensuring liquidity is available to meet foreseeable needs and by investing cash assets safely and profitably

Credit risk

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing, collection history and third party reports and approved limits issued by credit insurers

Currency risk

The company is exposed to translation and transaction foreign exchange risk and monitors exchange rates and arranges its borrowings accordingly

Directors

The directors who served during the year were

Dr A G Ives
S A R Moreau
A Durber

Cash's (UK) Limited

Directors' report

For the year ended 30 September 2012

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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.

Provision 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 information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf


Dr A G Ives

Director

Date

26/4/13



Independent auditor's report to the members of Cash's (UK) Limited

We have audited the financial statements of Cash's (UK) Limited for the year ended 30 September 2012, 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 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 Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2012 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.



Independent auditor's report to the members of Cash's (UK) 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

A handwritten signature in black ink, appearing to read "John Bowler".

JOHN BOWLER (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
EAST MIDLANDS

1 May 2013

Cash's (UK) Limited

Profit and loss account

For the year ended 30 September 2012

	Note	2012 £	2011 £
Turnover	2	2,836,501	3,210,786
Cost of sales		<u>(1,767,461)</u>	<u>(1,957,675)</u>
Gross profit		1,069,040	1,253,111
Administrative expenses		<u>(953,139)</u>	<u>(1,054,132)</u>
Operating profit	3	115,901	198,979
Interest receivable and similar income		<u>2,177</u>	<u>2,346</u>
Profit on ordinary activities before taxation		118,078	201,325
Tax on profit on ordinary activities	5	<u>3,000</u>	<u>4,000</u>
Profit for the financial year	14	<u>121,078</u>	<u>205,325</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

The notes on pages 7 to 15 form part of these financial statements

Balance sheet

As at 30 September 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	6		102,207		138,846
Investments	7		2		2
			<u>102,209</u>		<u>138,848</u>
Current assets					
Stocks	8	359,214		433,013	
Debtors	9	1,876,015		2,000,803	
Cash at bank and in hand		796,403		808,257	
		<u>3,031,632</u>		<u>3,242,073</u>	
Creditors , amounts falling due within one year	10	(634,331)		(756,383)	
Net current assets			<u>2,397,301</u>		<u>2,485,690</u>
Total assets less current liabilities			<u>2,499,510</u>		<u>2,624,538</u>
Provisions for liabilities					
Deferred tax	11	(11,000)		(14,000)	
Other provisions	12	(78,845)		(121,951)	
			<u>(89,845)</u>		<u>(135,951)</u>
Net assets			<u><u>2,409,665</u></u>		<u><u>2,488,587</u></u>
Capital and reserves					
Called up share capital	13		496,050		496,050
Profit and loss account	14		1,913,615		1,992,537
Shareholders' funds	15		<u><u>2,409,665</u></u>		<u><u>2,488,587</u></u>

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


Dr A G Ives
Director

Date

26/4/13

The notes on pages 7 to 15 form part of these financial statements

Notes to the financial statements

For the year ended 30 September 2012

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 company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

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

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.

Sale of goods is recognised when the company has transferred to the customer the significant risks and rewards of ownership of the goods supplied. Significant risks and rewards are generally considered to be transferred to the customer when they have taken delivery of the goods.

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	-	20% - 25% straight line basis
Fixtures & fittings	-	10% - 15% on written down value

1.5 Investments

Investments held as fixed assets are shown at cost.

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 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.

Notes to the financial statements

For the year ended 30 September 2012

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 are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

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

The company participates in a defined benefit pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by IFRS17 'Retirement benefits', the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Profit and loss account represents contributions payable to the scheme in respect of the accounting period

1.11 Provision for name tape costs

Provision is made for the cost of name tapes sold but yet to be manufactured at the period end date. The proportion of name tapes sold which the company expects to have to manufacture is estimated based on historical trend data maintained by the company

Notes to the financial statements

For the year ended 30 September 2012

2. Turnover

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

A geographical analysis of turnover is as follows

	2012	2011
	£	£
United Kingdom	1,566,188	1,710,608
Rest of European Union	241,587	275,630
Rest of World	1,028,726	1,224,548
	<u>2,836,501</u>	<u>3,210,786</u>

3. Operating profit

The operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation of tangible fixed assets		
- owned by the company	39,008	48,747
Auditor's remuneration	12,000	12,000
Auditor's remuneration - non-audit	4,250	4,250
Operating lease rentals		
- plant and machinery	6,743	9,271
- other operating leases	155,000	155,000
Loss/(profit) on foreign exchange	12,934	(249)
Profit on sale of tangible assets	(9,619)	(3,663)
	<u></u>	<u></u>

No director received any emoluments (2011 - £Nil) during the year

Limited liability agreement

The directors propose that the company enter into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 30 September 2012. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and will be proposed for approval at the forthcoming Annual General Meeting.

Notes to the financial statements

For the year ended 30 September 2012

4. Staff costs

Staff costs were as follows

	2012	2011
	£	£
Wages and salaries	1,019,345	1,049,469
Social security costs	74,942	83,524
Other pension costs	64,780	64,650
	<u>1,159,067</u>	<u>1,197,643</u>

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

	2012	2011
	No.	No
Production staff	40	43
Distribution staff	8	10
Administrative staff	6	6
	<u>54</u>	<u>59</u>

Included within the above wages cost is £nil (2011 - £2,000) in respect of redundancy payments. Included within pension costs above are payments into the group defined benefit scheme amounting to £60,000 (2011 - £60,000).

All Directors were remunerated by the parent company during the period. It is not considered practical to specifically apportion such remuneration between group companies.

5. Taxation

	2012	2011
	£	£
Analysis of tax (credit)/charge in the year		
Deferred tax (see note 11)		
Origination and reversal of timing differences	(3,000)	(4,000)
Tax on profit on ordinary activities	<u>(3,000)</u>	<u>(4,000)</u>

Notes to the financial statements

For the year ended 30 September 2012

5. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 25% (2011 - 27%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>118,078</u>	<u>201,325</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2011 - 27%)	29,520	54,358
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	104	2,266
Depreciation for year in excess of capital allowances	3,060	3,320
Short term timing difference leading to an (decrease)/increase in taxation	(496)	53
Utilisation of group relief	(32,188)	(59,997)
	<u>-</u>	<u>-</u>
Current tax (credit)/charge for the year (see note above)	<u>-</u>	<u>-</u>

6. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Total £
Cost			
At 1 October 2011	3,929,849	454,830	4,384,679
Additions	-	4,400	4,400
Disposals	(117,192)	-	(117,192)
At 30 September 2012	<u>3,812,657</u>	<u>459,230</u>	<u>4,271,887</u>
Depreciation			
At 1 October 2011	3,844,571	401,262	4,245,833
Charge for the year	16,475	22,533	39,008
On disposals	(115,161)	-	(115,161)
At 30 September 2012	<u>3,745,885</u>	<u>423,795</u>	<u>4,169,680</u>
Net book value			
At 30 September 2012	<u>66,772</u>	<u>35,435</u>	<u>102,207</u>
At 30 September 2011	<u>85,278</u>	<u>53,568</u>	<u>138,846</u>

Notes to the financial statements

For the year ended 30 September 2012

7. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 October 2011 and 30 September 2012	2
Net book value	
At 30 September 2012	2
At 30 September 2011	2

At 30 September 2012 the company held the entire ordinary share capital of Design Label Systems Limited. The company did not trade during the year and its share capital and reserves were £54,848.

8. Stocks

	2012 £	2011 £
Raw materials	160,656	181,336
Work in progress	44,822	38,108
Finished goods and goods for resale	153,736	213,569
	<u>359,214</u>	<u>433,013</u>

9. Debtors

	2012 £	2011 £
Trade debtors	265,347	348,252
Amounts owed by group undertakings	1,459,903	1,477,753
Other debtors	150,765	174,798
	<u>1,876,015</u>	<u>2,000,803</u>

Notes to the financial statements

For the year ended 30 September 2012

10. Creditors: Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	250,967	297,295
Social security and other taxes	82,075	108,514
Accruals and deferred income	301,289	350,574
	<u>634,331</u>	<u>756,383</u>

11. Deferred taxation

	2012	2011
	£	£
At beginning of year	14,000	18,000
Released during year	(3,000)	(4,000)
	<u>11,000</u>	<u>14,000</u>

The provision for deferred taxation is made up as follows

	2012	2011
	£	£
Accelerated capital allowances	<u>11,000</u>	<u>14,000</u>

12. Provisions

	Pensions and similar obligations	Provision for name tape costs	Total
	£	£	£
At 1 October 2011	655	121,296	121,951
Amounts released	-	(43,106)	(43,106)
	<u>655</u>	<u>78,190</u>	<u>78,845</u>

Pensions and similar obligations

The provision for pensions and similar obligations relates to pensions other than the group pension scheme

Provision for name tape costs

The provision for name tape costs comprises the cost of name tapes sold but yet to be manufactured at the period end date

Notes to the financial statements

For the year ended 30 September 2012

13. Share capital

	2012 £	2011 £
Authorised		
575,000 Ordinary shares of £1 each	<u>575,000</u>	<u>575,000</u>
Allotted, called up and fully paid		
496,050 Ordinary shares of £1 each	<u>496,050</u>	<u>496,050</u>

14. Reserves

	Profit and loss account £
At 1 October 2011	1,992,537
Profit for the year	121,078
Dividend paid on equity capital	(200,000)
At 30 September 2012	<u>1,913,615</u>

15. Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Opening shareholders' funds	2,488,587	2,483,262
Profit for the year	121,078	205,325
Dividends (Note 16)	<u>(200,000)</u>	<u>(200,000)</u>
Closing shareholders' funds	<u>2,409,665</u>	<u>2,488,587</u>

16. Dividends

	2012 £	2011 £
Dividends paid on equity capital	<u>200,000</u>	<u>200,000</u>

Notes to the financial statements

For the year ended 30 September 2012

17. Contingent liabilities

The company has a cross guarantee with all UK companies within the Composite Materials Technology plc group to repay any monies owed at anytime by any UK company within the group to the Royal Bank of Scotland plc. At 30 September 2012 amounts owing in respect of other group companies to the Royal Bank of Scotland were £582,140 (2011 - £465,208) and total net amounts owing by Composite Materials Technology plc group of companies was £nil (2011 - £nil).

The company is subject to a fixed and floating charge over assets in respect of the group banking facilities.

The company is also subject to a guarantee and floating charge over its assets in respect of loan notes of the ultimate parent undertaking which, at 30 September 2012, amounted to £664,000 (2011 - £716,000).

18. Operating lease commitments

At 30 September 2012 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Expiry date:				
Within one year	-	-	3,553	3,382
Between two and five years	-	-	1,888	1,888
After more than five years	155,000	155,000	-	-

19. Related party transactions

As a wholly-owned subsidiary of Composite Materials Technology plc the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by Composite Materials Technology plc, on the grounds that accounts are publicly available from Companies House.

During the period purchases of £59,885 (2011 - £64,458) were made from Sinowide Trading Limited, a company in which the directors of Composite Materials Technology plc had an interest. At the period end £nil (2011 - £837) remained outstanding.

20. Ultimate parent undertaking and controlling party

The directors consider that the ultimate parent undertaking of this company is its parent company, Composite Materials Technology plc.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Composite Materials Technology plc. These group accounts can be obtained from Companies House.