

**REGISTERED NUMBER: 00053475 (England and Wales)**

**STRATEGIC REPORT, DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS FOR THE PERIOD 3 JULY 2016 TO 1 JULY 2017  
FOR  
WILLIAM COOK LEEDS LIMITED**

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for the Period 3 July 2016 to 1 July 2017**

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**WILLIAM COOK LEEDS LIMITED**

**COMPANY INFORMATION**  
**for the Period 3 July 2016 to 1 July 2017**

<b>DIRECTORS:</b>	C D Seymour M K Hodgson FCA
<b>SECRETARY:</b>	M K Hodgson FCA
<b>REGISTERED OFFICE:</b>	Parkway Avenue Sheffield South Yorkshire S9 4UL
<b>REGISTERED NUMBER:</b>	00053475 (England and Wales)
<b>INDEPENDENT AUDITOR:</b>	KPMG LLP 1 Sovereign Square Sovereign Street Leeds LS1 4DA
<b>BANKERS:</b>	The Royal Bank of Scotland plc 2 Whitehall Quay Leeds LS1 4HR

**STRATEGIC REPORT**  
**for the Period 3 July 2016 to 1 July 2017**

The directors present their strategic report for the period 3 July 2016 to 1 July 2017.

**REVIEW OF BUSINESS**

The operating performance of the company and the wider Group during the period remained disappointing. The global trading environment has become particularly difficult and the Group is not immune to these pressures. In this difficult environment the directors have to report a decrease in activity and increased losses on the prior period.

Turnover decreased to £6,594,236 in the year ended 1 July 2017 from £7,780,506 in the year ended 2 July 2016.

The directors report a gross loss of £845,625 for the year to 1 July 2017 compared with a gross loss of £311,212 for the year ended 2 July 2016. Normal operating expenses (excluding exceptional items) were £2,049,972 in 2017 compared with £2,186,736 in the prior period.

The loss for the year amounted to £2,338,923 against a loss of £2,223,208 for the year ended 2 July 2016.

Subsequent to the year end, the directors of the Company, and the directors of the immediate parent company, William Cook Cast Products Limited, have taken a strategic decision that the business and undertaking of the Company will be sold to William Cook Machine Shop (Leeds) Limited in April 2018. Accordingly, the Company will cease to trade at that time, although all of the Company's trading activities will continue in William Cook Machine Shop (Leeds) Limited, as normal. As a result the financial statements have not been prepared on a going concern basis.

**Balance sheet**

The directors present financial statements showing shareholder's funds of £516,107 as at 1 July 2017 compared to £2,855,030 as at 2 July 2016.

**STRATEGIC REPORT**  
**for the Period 3 July 2016 to 1 July 2017**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The most significant risks to the company's profitability are:

- Increased costs of raw materials and energy
- Increased statutory regulation, e.g. health and safety, environment
- Reduced demand from the company's main markets
- Any impediments to access to the Single European Market

The board has strategies to manage these risks and remains confident of the continued success of the company.

**Key Performance Indicators (KPIs)**

Management monitor the performance of the operations compared to budget and forecast.

KPIs monitored on a daily basis are:

- Production volume and value
- Sales volume and value
- Plant availability (production downtime)
- Quality (scrap and rework rate)
- Order intake

KPIs monitored weekly and monthly are the above plus:

- Profit and cash generation
- Man hours per tonne
- Labour cost per tonne
- Overtime and absenteeism rates
- Health and safety rate (accidents per 100,000 hours)
- Delivery performance
- Forward order outlook

**ON BEHALF OF THE BOARD:**



M K Hodgson FCA - Secretary

Date: 29 March 2018

**DIRECTORS' REPORT**  
**for the Period 3 July 2016 to 1 July 2017**

The directors present their report with the financial statements of the company for the period 3 July 2016 to 1 July 2017.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was the manufacture of engineering components and assemblies primarily comprising steel castings.

**DIVIDENDS**

No dividends will be paid for the year ended 1 July 2017 (period ended 2 July 2016: £nil).

**FUTURE DEVELOPMENTS**

The directors of the Company, and the directors of the immediate parent company, William Cook Cast Products Limited, have taken a strategic decision that the business and undertaking of the Company will be sold to William Cook Machine Shop (Leeds) Limited in April 2018. Accordingly, the Company will cease to trade at that time, although all of the Company's trading activities will continue in William Cook Machine Shop (Leeds) Limited, as normal.

**DIRECTORS**

The directors who have held office during the period from 3 July 2016 to the date of this report are as follows:

Sir Andrew Cook CBE - resigned 3 April 2017

S J Alexander - resigned 1 November 2016

C D Seymour - appointed 15 July 2016

T Bentley - appointed 1 November 2016 - resigned 28 February 2017

M K Hodgson FCA was appointed as a director after 1 July 2017 but prior to the date of this report.

**GOING CONCERN**

As the Company will cease to trade the accounts have not been prepared on a going concern basis.

**DIRECTORS' INDEMNITY PROVISIONS**

The directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

**EMPLOYEES**

It is the policy of the Group to employ disabled persons wherever circumstances permit and provide normal opportunities for their training, promotion and career developments.

The company considers it important that employees are well informed on all aspects of its affairs as far as the needs of communication and financial confidentiality will allow.

**DIRECTORS' REPORT**  
**for the Period 3 July 2016 to 1 July 2017**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

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

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**ON BEHALF OF THE BOARD:**



M K Hodgson FCA - Secretary

Date: 29 March 2018

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
WILLIAM COOK LEEDS LIMITED**

**Opinion**

We have audited the financial statements of William Cook Leeds Limited ("the company") for the year ended 1 July 2017 which comprise the Income Statement, Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes, including accounting policies in note 1. These financial statements have not been prepared on the going concern basis for the reason set out in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 1 July 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Emphasis of matter - non-going concern basis of preparation**

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

**Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
WILLIAM COOK LEEDS LIMITED**

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

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.

*MD Wilcox*

Matthew Wilcox (Senior Statutory Auditor)  
for and on behalf of KPMG LLP  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

Date: 29 March 2018

**INCOME STATEMENT**  
for the Period 3 July 2016 to 1 July 2017

	Notes	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
<b>TURNOVER</b>	3	6,594,236	7,780,506
Cost of sales		<u>(7,439,861)</u>	<u>(8,091,718)</u>
<b>GROSS LOSS</b>		(845,625)	(311,212)
Distribution costs		(270,059)	(197,836)
Administrative expenses		<u>(1,823,767)</u>	<u>(2,306,151)</u>
<b>OPERATING LOSS and LOSS BEFORE TAXATION</b>	6	(2,939,451)	(2,815,199)
Tax on loss	8	<u>600,528</u>	<u>591,991</u>
<b>LOSS FOR THE FINANCIAL PERIOD</b>		<u><u>(2,338,923)</u></u>	<u><u>(2,223,208)</u></u>

The notes on pages 12 to 20 form part of these financial statements

**OTHER COMPREHENSIVE INCOME**  
for the Period 3 July 2016 to 1 July 2017

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
Notes		
<b>LOSS FOR THE PERIOD</b>	(2,338,923)	(2,223,208)
<b>OTHER COMPREHENSIVE INCOME</b>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>(2,338,923)</u>	<u>(2,223,208)</u>

The notes on pages 12 to 20 form part of these financial statements

## BALANCE SHEET

1 July 2017

	Notes	1.7.17 £	2.7.16 £
<b>FIXED ASSETS</b>			
Tangible assets	9	2,861,727	3,500,083
<b>CURRENT ASSETS</b>			
Stocks	10	1,120,364	1,366,138
Debtors	11	3,489,482	2,998,797
Cash in hand		<u>3,628</u>	<u>4,128</u>
		4,613,474	4,369,063
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>(6,890,188)</u>	<u>(4,821,231)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(2,276,714)</u>	<u>(452,168)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		585,013	3,047,915
<b>PROVISIONS FOR LIABILITIES</b>	16	<u>(68,906)</u>	<u>(192,885)</u>
<b>NET ASSETS</b>		<u>516,107</u>	<u>2,855,030</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	550,000	550,000
Retained earnings	18	<u>(33,893)</u>	<u>2,305,030</u>
<b>SHAREHOLDER'S FUNDS</b>		<u>516,107</u>	<u>2,855,030</u>

The financial statements were approved by the Board of Directors on 29 March 2018 and were signed on its behalf by:



C D Seymour - Director

**STATEMENT OF CHANGES IN EQUITY**  
for the Period 3 July 2016 to 1 July 2017

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 28 June 2015</b>	550,000	4,528,238	5,078,238
<b>Changes in equity</b>			
Total comprehensive income	-	(2,223,208)	(2,223,208)
<b>Balance at 2 July 2016</b>	<u>550,000</u>	<u>2,305,030</u>	<u>2,855,030</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(2,338,923)	(2,338,923)
<b>Balance at 1 July 2017</b>	<u>550,000</u>	<u>(33,893)</u>	<u>516,107</u>

The notes on pages 12 to 20 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the Period 3 July 2016 to 1 July 2017**

**1. STATUTORY INFORMATION**

William Cook Leeds Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

In previous years, the financial statements have been prepared on a going concern basis. As referred to in Note 24, subsequent to the year end the directors of the Company, and the directors of the immediate parent company, William Cook Cast Products Limited, have taken a strategic decision that the business and undertaking of the Company will be sold to William Cook Machine Shop (Leeds) Limited in April 2018. Accordingly, the Company will cease to trade at that time, although all of the Company's trading activities will continue in William Cook Machine Shop (Leeds) Limited, as normal. As a result these financial statements for the year ended 1 July 2017 have not been prepared on a going concern basis. In applying this basis of preparation no adjustments were necessary to the amounts at which the remaining net assets are included in the financial statements.

**Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

**Turnover**

Turnover is the net invoiced value of goods sold and services rendered excluding value added tax.

**Tangible fixed assets**

Tangible fixed assets are depreciated by equal annual instalments over their estimated useful lives as follows:

Plant and machinery	- 10% on cost
Fixtures and fittings	- 33.3% on cost
Motor vehicles	- 33.3% on cost

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined, which is the higher of its fair value less costs to sell, and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**Stocks**

Stocks are stated at the lower of cost and net realisable value using the first in/ first out method.

Cost comprises the direct costs of production and the attributable proportion of all overheads appropriate to location and condition. Net realisable value is the estimated selling price reduced by all costs of completion, marketing, selling and distribution.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 3 July 2016 to 1 July 2017

2. ACCOUNTING POLICIES - continued

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**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.

**Leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company participates in two active defined contribution group personal pension schemes. A group self invested personal pension scheme, and a money purchase stakeholder pension scheme for certain employees at the invitation of the company. The assets of both schemes are held separately from those of the company in independently administered funds. The amount charged to the profit and loss account represents the contributions payable to the schemes in respect of the accounting period.

3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
United Kingdom	5,173,795	4,766,044
Continental Europe	1,097,569	2,888,517
North America	322,872	125,945
	<u>6,594,236</u>	<u>7,780,506</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 3 July 2016 to 1 July 2017**

**4. EMPLOYEES AND DIRECTORS**

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
Wages and salaries	2,963,882	2,997,679
Social security costs	259,527	265,499
Other pension costs	<u>51,742</u>	<u>54,612</u>
	<u><u>3,275,151</u></u>	<u><u>3,317,790</u></u>

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

	Period 3.7.16 to 1.7.17	Period 28.6.15 to 2.7.16
Manufacturing	107	116
Sales & administration	<u>19</u>	<u>22</u>
	<u><u>126</u></u>	<u><u>138</u></u>

**5. DIRECTORS' EMOLUMENTS**

Total remuneration received by qualifying directors for services to the Company and the Group in the financial year was £491,480. The directors were remunerated through the ultimate parent company William Cook Holdings Limited, immediate parent company William Cook Cast Products Limited, and fellow subsidiary, William Cook Rail Limited.

**6. OPERATING LOSS**

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

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
Hire of plant and machinery	78,401	111,040
Other operating leases	415,761	457,409
Depreciation - owned assets	657,092	658,478
Profit on disposal of fixed assets	-	(14,000)
Auditor's remuneration for the audit of the company's financial statements	17,000	17,000
Auditor's remuneration for taxation compliance services	1,996	3,163
Foreign exchange differences	<u>2,449</u>	<u>18,874</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 3 July 2016 to 1 July 2017

7. EXCEPTIONAL ITEMS

Administrative expenses include the following exceptional items:

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
Staff costs and redundancy	<u>43,854</u>	<u>317,251</u>

8. TAXATION

Analysis of the tax credit

The tax credit on the loss for the period was as follows:

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
Current tax:		
UK corporation tax	(466,684)	(547,569)
Adjustment in respect of prior period	<u>(9,865)</u>	<u>(11,602)</u>
Total current tax	<u>(476,549)</u>	<u>(559,171)</u>
Deferred tax:		
Current period	(111,706)	(20,407)
Adjustments relating to prior period	(1,649)	11,286
Effect of rate change	<u>(10,624)</u>	<u>(23,699)</u>
Total deferred tax	<u>(123,979)</u>	<u>(32,820)</u>
Tax on loss	<u>(600,528)</u>	<u>(591,991)</u>

UK corporation tax has been charged at 19.75% (2016 - 20%).

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 3 July 2016 to 1 July 2017

8. TAXATION - continued

**Reconciliation of total tax credit included in profit and loss**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
Loss before tax	<u>(2,939,451)</u>	<u>(2,815,199)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19.750% (2016 - 20%)	(580,542)	(563,040)
Effects of:		
Expenses not deductible for tax purposes	(15,903)	(12,003)
Adjustments to tax charge in respect of previous periods	(22,138)	(24,015)
Difference between deferred tax and corporation tax rates	<u>18,055</u>	<u>7,067</u>
Total tax credit	<u>(600,528)</u>	<u>(591,991)</u>

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 3 July 2016	10,285,807	160,598	40,521	10,486,926
Additions	<u>16,427</u>	<u>2,309</u>	-	<u>18,736</u>
At 1 July 2017	<u>10,302,234</u>	<u>162,907</u>	<u>40,521</u>	<u>10,505,662</u>
<b>DEPRECIATION</b>				
At 3 July 2016	6,795,792	159,290	31,761	6,986,843
Charge for period	<u>647,571</u>	<u>1,404</u>	<u>8,117</u>	<u>657,092</u>
At 1 July 2017	<u>7,443,363</u>	<u>160,694</u>	<u>39,878</u>	<u>7,643,935</u>
<b>NET BOOK VALUE</b>				
At 1 July 2017	<u>2,858,871</u>	<u>2,213</u>	<u>643</u>	<u>2,861,727</u>
At 2 July 2016	<u>3,490,015</u>	<u>1,308</u>	<u>8,760</u>	<u>3,500,083</u>

10. STOCKS

	1.7.17 £	2.7.16 £
Raw materials and consumables	145,182	225,441
Work-in-progress	458,109	566,066
Finished goods	<u>517,073</u>	<u>574,631</u>
	<u>1,120,364</u>	<u>1,366,138</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 3 July 2016 to 1 July 2017

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1.7.17	2.7.16
	£	£
Trade debtors	658,025	923,260
Amounts owed by group undertakings	2,344,642	1,517,205
Corporation tax	153,985	(449)
VAT	146,424	200,099
Prepayments and accrued income	186,406	358,682
	<u>3,489,482</u>	<u>2,998,797</u>

Amounts owed by group undertakings are payable on demand and are interest free.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1.7.17	2.7.16
	£	£
Bank loans and overdrafts (see note 13)	3,885,664	1,324,101
Trade creditors	381,578	787,178
Amounts owed to group undertakings	2,110,511	2,122,281
Corporation tax	-	104,376
Social security and other taxes	124,020	136,863
Other creditors	46,306	13,943
Accrued expenses	342,109	332,489
	<u>6,890,188</u>	<u>4,821,231</u>

Amounts owed to group undertakings are repayable on demand and are interest free.

13. LOANS

An analysis of the maturity of loans is given below:

	1.7.17	2.7.16
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>3,885,664</u>	<u>1,324,101</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	1.7.17	2.7.16
	£	£
Within one year	282,988	626,509
Between one and five years	<u>2,225</u>	<u>458,016</u>
	<u>285,213</u>	<u>1,084,525</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 3 July 2016 to 1 July 2017

15. SECURED DEBTS

The following secured debts are included within creditors:

	1.7.17	2.7.16
	£	£
Bank overdrafts	<u>3,885,664</u>	<u>1,324,101</u>

As security for any borrowing The Royal Bank of Scotland plc have an unlimited inter company composite guarantee with accession by and between the parent and subsidiaries.

16. PROVISIONS FOR LIABILITIES

	1.7.17	2.7.16
	£	£
Deferred tax	<u>68,906</u>	<u>192,885</u>
		Deferred tax
		£
Balance at 3 July 2016		192,885
Credit to Income Statement during period		<u>(123,979)</u>
Balance at 1 July 2017		<u>68,906</u>

The elements of deferred taxation are as follows:

	1.7.17	2.7.16
	£	£
Difference between accumulated depreciation and amortisation of capital allowances	68,906	194,987
Other timing differences	<u>-</u>	<u>(2,102)</u>
	<u>68,906</u>	<u>192,885</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			1.7.17	2.7.16
Number:	Class:	Nominal value:	£	£
550,000	Ordinary	£1	<u>550,000</u>	<u>550,000</u>

18. RESERVES

	Retained earnings
	£
At 3 July 2016	2,305,030
Deficit for the period	<u>(2,338,923)</u>
At 1 July 2017	<u>(33,893)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 3 July 2016 to 1 July 2017**

**19. PENSION COMMITMENTS**

**Group Self Invested Personal Pension Scheme**

The assets of this defined contribution pension scheme are held separately from those of the company, in an independently administered fund. The company's contribution to the scheme for the year was £51,742 (2016: £54,612).

There were no outstanding or prepaid contributions at the end of the financial period.

**20. ULTIMATE PARENT COMPANY**

The ultimate holding company is William Cook Holdings Limited a company registered in England and Wales.

**21. CONTINGENT LIABILITIES**

Group contingent liabilities relating to guarantees, performance bonds and other items of a normal trading nature amounted to £1,127,000 (2016: £899,000).

William Cook Leeds Limited has given guarantees in respect of bank indebtedness of fellow group undertakings, which amounted to £3,131,000 (2016: £3,986,000).

**22. CAPITAL COMMITMENTS**

There were no contracted capital commitments at the period end (2016: £nil).

**23. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**24. SUBSEQUENT EVENTS**

Subsequent to the year-end, the directors of the Company, and the directors of the immediate parent company, William Cook Cast Products Limited, have taken a strategic decision that the business and undertaking of the Company will be sold, at market value, to William Cook Machine Shop (Leeds) Limited in April 2018. Accordingly, the Company will cease to trade at that time, although all of the Company's trading activities will continue in William Cook Machine Shop (Leeds) Limited, as normal.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 3 July 2016 to 1 July 2017

25. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATE UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

**Critical judgements in applying the Group and Company's accounting policies**

There are no critical accounting judgements involved in application of the Company's accounting policies.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

**Valuation of stock**

The company is exposed to risk of stock being valued above its net realisable value. Provisions are recorded to reduce the value of stocks to their net realisable value as determined by estimates of selling prices.