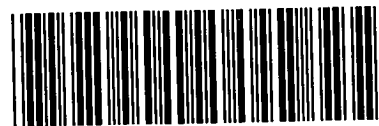


Financial Statements Currie & Warner Limited

For the Year Ended 31 December 2013

THURSDAY



A3H6E2Z7

A22

25/09/2014

#163

COMPANIES HOUSE

Registered number: 128554

Company Information

Directors	Mr MI Lloyd (chairman) Mrs MF Lloyd Mr KG Sedgebear Mr T Fox (appointed 6 April 2013)
Company secretary	Mr MS Lloyd
Registered number	128554
Registered office	Summer Hill Works Powell Street Birmingham B1 3DH
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Colmore Plaza 20 Colmore Circus Birmingham B4 6AT

Contents

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 16

Strategic Report

For the Year Ended 31 December 2013

Business review

The company experienced a further increase in output from its new production facilities during the year contributing to an overall 6% increase in turnover, and despite persistently high brass prices combined with increased energy costs, raw margins improved from 43% to 45%. However, increased direct labour numbers, overtime and depreciation limited the improvement in operating profits. Despite continuing investment in its new production facilities the business maintained very strong net current assets of £3.8m with an improved quick ratio of 3.2.

The contribution of both management and employees to the results for the year is both recognised and appreciated.

The outlook for demand during 2014 shows some further improvement, and despite persistently high brass prices the business is expected to deliver increased operating profits:

Notes to key performance indicators

Raw margin is defined as turnover less change in stocks of finished goods and work in progress, less raw materials and consumables, expressed as a percentage of turnover.

Quick ratio is defined as the proportion by which current assets less stock exceeds current liabilities.


Financial risk management objectives and policies

The company's principal financial instruments comprise balances due to its parent company and cash and short-term deposits. The main purpose of these financial instruments is to finance the company's operations. The company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The company does not enter into derivative transactions. It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken. The main risk arising from the company's financial instruments is credit risk. The board reviews and agrees policy for managing this risk and this is summarised below:

Credit risk

The company trades with only recognised, creditworthy third parties. It is the company policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant.

This report was approved by the board on 18 September 2014 and signed on its behalf.



Mr MS Lloyd
Secretary

Directors' Report

For the Year Ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Principal activity

The principal activity of the company is the manufacture and sale of brass repetition turned parts. There has been no significant change in the activity during the year.

Results and dividends

The profit for the year, after taxation, amounted to £214,598 (2012 - £116,275).

A final dividend of £6 per share amounting to £193,290 (2012: £nil) was declared on 31 December 2013.

Matters covered in the strategic report

Financial risk management objectives and policies and a review of the business have been included in the strategic report on page 1.

Directors

The directors who served the company were:

Mr MI Lloyd (chairman)
Mrs MF Lloyd
Mr KG Sedgebear
Mr T Fox (appointed 6 April 2013)

Directors' responsibilities statement

The directors are responsible for preparing the directors' report, strategic 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' Report

For the Year Ended 31 December 2013

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

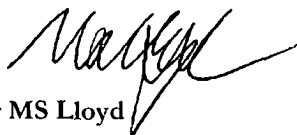
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- 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 relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

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

This report was approved by the board on 18 September 2014 and signed on its behalf.



Mr MS Lloyd
Secretary



Independent Auditor's Report to the Members of Currie & Warner Limited

We have audited the financial statements of Currie & Warner Limited for the year ended 31 December 2013, 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 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/apb/scope/private.cfm.

Basis for qualified opinion on the financial statements

As more fully explained in note 18 to the financial statements, the financial statements do not contain disclosures required under FRS 17 "Retirement Benefits" relating to the group's multi-employer pension scheme, in which the company participates. As no information is available to us in respect of assets and liabilities of the scheme at 31 December 2013 we have been unable to quantify the omissions. Whilst there is no direct relationship with the FRS 17 valuation, we are aware that at the last actuarial valuation prepared as at 5 April 2013 the scheme has a surplus of assets over liabilities amounting to £80,000. In our opinion a disclosure should be made for an asset or liability in accordance with FRS 17.

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.



Independent Auditor's Report to the Members of Currie & Warner Limited

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.

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 "Gat Thn in up", which is a stylized or possibly misread version of "Grant Thornton in up".

David White (Senior Statutory Auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Birmingham

18 September 2014

Profit and Loss Account

For the Year Ended 31 December 2013

	Note	2013 £	2012 £
Turnover	2	6,365,803	6,018,225
Change in stocks of finished goods and work in progress		(170,605)	(96,564)
Raw materials and consumables		(3,336,588)	(3,338,960)
Other external charges		(489,220)	(586,797)
Staff costs	3	(1,968,871)	(1,759,820)
Depreciation and amortisation		(152,253)	(115,084)
Operating profit	5	248,266	121,000
Interest receivable and similar income	6	5,437	6,351
Profit on ordinary activities before taxation		253,703	127,351
Tax on profit on ordinary activities	7	(39,105)	(11,076)
Profit for the financial year	15	214,598	116,275

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

Balance Sheet

As at 31 December 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	8		596,576		482,566
Current assets					
Stocks	9	1,682,658		1,792,520	
Debtors	10	1,378,154		1,459,153	
Cash at bank and in hand		1,712,181		1,508,060	
		<u>4,772,993</u>		<u>4,759,733</u>	
Creditors: amounts falling due within one year	11	<u>(977,366)</u>		<u>(1,055,709)</u>	
Net current assets			<u>3,795,627</u>		<u>3,704,024</u>
Total assets less current liabilities			<u>4,392,203</u>		<u>4,186,590</u>
Creditors: amounts falling due after more than one year	12		<u>(1,057,384)</u>		<u>(900,184)</u>
Provisions for liabilities					
Deferred tax	13		<u>(49,801)</u>		<u>(22,696)</u>
Net assets			<u><u>3,285,018</u></u>		<u><u>3,263,710</u></u>
Capital and reserves					
Called up share capital	14		32,215		32,215
Profit and loss account	15		<u>3,252,803</u>		<u>3,231,495</u>
Shareholders' funds	16		<u><u>3,285,018</u></u>		<u><u>3,263,710</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 September 2014.



Mr MI Lloyd
Director



Mrs ME Lloyd
Director

The notes on pages 8 to 16 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2013

1. Accounting Policies

The following accounting policies have been used in dealing with items which are considered material in relation to the company's financial statements.

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.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods supplied less returns, exclusive of Value Added Tax.

1.3 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 over their expected useful lives on the following bases:

Plant and machinery	-	Between 5 and 15 years
Fixtures, fittings, tooling and equipment	-	Between 4 and 10 years
Motor vehicles	-	Between 3 and 5 years

Additions to fixed assets during the accounting period are depreciated at an appropriate proportion of the annual rate attributable to that category of asset.

1.4 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost in relation to finished goods and work in progress includes attributable production overheads.

1.5 Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

1.6 Pensions

The company participates in a group defined contribution scheme covering certain of its permanent employees. Contributions to the defined contribution scheme are charged to the profit and loss account in the year they are incurred.

1.7 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transactions. Any amounts receivable or payable at the balance sheet date are converted at the rate then ruling and any differences are taken to the profit and loss account.

Notes to the Financial Statements

For the Year Ended 31 December 2013

1. Accounting Policies (continued)

1.8 Operating leases

Payments under operating leases are charged to revenue in the financial period in which they are incurred.

1.9 Cash flow statement

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.

2. Turnover

The analysis of turnover by geographical area is as follows:

	2013 £	2012 £
United Kingdom	3,821,192	3,387,635
Rest of Europe	2,206,572	2,180,132
North America	335,320	444,098
Far East and Australia	2,719	6,360
	<u>6,365,803</u>	<u>6,018,225</u>

Notes to the Financial Statements

For the Year Ended 31 December 2013

3. Staff costs

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

	2013	2012
	£	£
Wages and salaries	1,767,503	1,581,064
Social security costs	164,419	144,601
Other pension costs	36,949	34,155
	<u>1,968,871</u>	<u>1,759,820</u>

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

	2013	2012
	No.	No.
Management	8	7
Administration and sales	7	7
Production	68	59
	<u>83</u>	<u>73</u>

4. Directors' remuneration

	2013	2012
	£	£
Emoluments	<u>115,400</u>	<u>77,952</u>
Company pension contributions	<u>3,042</u>	<u>3,422</u>

During the year retirement benefits were accruing to two directors in respect of defined contribution pension schemes (2012 - one director in respect of defined contribution pension schemes from 6 April 2012 and one director in respect of defined benefit pension schemes up to 5 April 2012).

The chairman and one other director are paid by other group companies and their emoluments are shown in the financial statements of those companies.

Notes to the Financial Statements

For the Year Ended 31 December 2013

5. Operating profit

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

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the company	152,253	115,084
Auditor's remuneration	6,300	6,150
Operating lease rentals:		
- plant and machinery	537	190
- other operating leases	86,000	86,000
Difference on foreign exchange	(34,405)	70,552
	<u>152,253</u>	<u>115,084</u>

6. Interest receivable

	2013 £	2012 £
Bank interest	5,371	6,276
Other interest receivable	66	75
	<u>5,437</u>	<u>6,351</u>

Notes to the Financial Statements

For the Year Ended 31 December 2013

7. Taxation

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	12,000	18,555
Deferred tax (see note 13)		
Origination and reversal of timing differences	27,105	(7,479)
Tax on profit on ordinary activities	<u>39,105</u>	<u>11,076</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23% (2012 - 24%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>253,703</u>	<u>127,351</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2012 - 24%)	58,352	30,564
Effects of:		
Expenses not deductible for tax purposes	175	135
Capital allowances (greater)/less than depreciation	(29,788)	3,248
Profits on disposal of tangible fixed assets	(590)	-
Utilisation of tax losses	(14,349)	(13,934)
Marginal relief	-	(1,873)
Small companies rate/change in standard UK rate	(1,800)	415
Current tax charge for the year (see note above)	<u>12,000</u>	<u>18,555</u>

Notes to the Financial Statements

For the Year Ended 31 December 2013

8. Tangible fixed assets

	Plant and machinery £	Fixtures, fittings, tooling and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2013	4,119,583	523,936	130,587	4,774,106
Additions	211,646	24,282	30,335	266,263
Disposals	-	-	(35,431)	(35,431)
At 31 December 2013	4,331,229	548,218	125,491	5,004,938
Depreciation				
At 1 January 2013	3,738,109	468,038	85,393	4,291,540
Charge for the year	115,741	14,488	22,024	152,253
On disposals	-	-	(35,431)	(35,431)
At 31 December 2013	3,853,850	482,526	71,986	4,408,362
Net book value				
At 31 December 2013	477,379	65,692	53,505	596,576
At 31 December 2012	381,474	55,898	45,194	482,566

The company had no capital commitments at 31 December 2013 (2012: £nil).

9. Stocks

	2013 £	2012 £
Raw materials	867,583	806,840
Work in progress	151,374	142,683
Finished goods	663,701	842,997
	<u>1,682,658</u>	<u>1,792,520</u>

Notes to the Financial Statements

For the Year Ended 31 December 2013

10. Debtors

	2013	2012
	£	£
Trade debtors	753,295	995,823
Amounts owed by fellow subsidiaries	501,692	381,648
Other debtors	104,912	63,084
Prepayments and accrued income	18,255	18,598
	<u>1,378,154</u>	<u>1,459,153</u>

11. Creditors:

Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	676,875	653,839
Amounts owed to fellow subsidiaries	27,920	44,839
Corporation tax	12,000	18,555
Social security and other taxes	166,523	170,533
Other creditors	5,393	5,566
Accruals and deferred income	88,655	162,377
	<u>977,366</u>	<u>1,055,709</u>

12. Creditors:

Amounts falling due after more than one year

	2013	2012
	£	£
Amounts owed to parent	<u>1,057,384</u>	<u>900,184</u>

13. Deferred taxation

	2013	2012
	£	£
Liability at the beginning of year	22,696	30,175
Charge for year/(released during year)	27,105	(7,479)
	<u>49,801</u>	<u>22,696</u>

Notes to the Financial Statements

For the Year Ended 31 December 2013

13. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2013 £	2012 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>49,801</u>	<u>22,696</u>

14. Share capital

	2013 £	2012 £
Authorised		
33,000 ordinary shares of £1 each	<u>33,000</u>	<u>33,000</u>
Allotted, called up and fully paid		
32,215 ordinary shares of £1 each	<u>32,215</u>	<u>32,215</u>

15. Reserves

	Profit and loss account £
At 1 January 2013	3,231,495
Profit for the year	214,598
Dividends: Equity capital	(193,290)
At 31 December 2013	<u>3,252,803</u>

16. Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Opening shareholders' funds	3,263,710	3,147,435
Profit for the financial year	214,598	116,275
Dividends (Note 17)	(193,290)	-
Closing shareholders' funds	<u>3,285,018</u>	<u>3,263,710</u>

Notes to the Financial Statements

For the Year Ended 31 December 2013

17. Dividends

	2013 £	2012 £
Dividends paid on equity capital	<u>193,290</u>	<u>-</u>

18. Pension commitments

The company participates in a group defined benefit pension scheme which is closed to new entrants and future accrual of benefits. The assets of the scheme are administered by trustees and are held separately from the group. The company is unable to identify its share of the assets and liabilities of the group pension scheme, and has therefore followed the provisions for multi-employer schemes within Financial Reporting Standard 17 "Retirement Benefits" and not provided for an asset or liability. The company has not obtained and disclosed an asset or liability at 31 December 2013 in accordance with FRS 17. Whilst there is no direct relationship with the FRS 17 valuation, at the last actuarial valuation prepared as at 5 April 2013 the scheme has a surplus of assets over liabilities amounting to £80,000.

The principal assumption used in the actuarial valuation was that long term investment returns will be 2.7% per annum above inflation.

The company also participates in a group defined contribution scheme, for which the liability is limited to the annual contributions payable. There were no contributions prepaid or outstanding at 31 December 2013 (2012: £nil).

19. Related party transactions

The aggregate value of transactions made during the year in the normal course of business between the company and group undertakings, were as follows:

	2013 £	2012 £
Purchases of raw materials from fellow subsidiaries	-	8,538
Sales of products to fellow subsidiaries	2,422,286	2,508,082
Charges for management and property services provided by parent company	126,000	126,000
Charges for management and property services provided by fellow subsidiaries	<u>20,000</u>	<u>20,000</u>

Balances due from and to group undertakings are disclosed within the debtors and creditors notes above.

20. Parent company

The ultimate parent company is Currie & Warner (Holdings) Limited, incorporated in Great Britain and registered in England and Wales.

The results of the company are incorporated into the consolidated financial statements of Currie & Warner (Holdings) Limited. Copies of these financial statements can be obtained from Summer Hill Works, Powell Street, Birmingham, B1 3DH.