

Stedall (Vehicle Fittings) Limited

Report and Financial Statements

31 December 2013

2 027 241

FRIDAY



A35305UO

A27

04/04/2014

#309

COMPANIES HOUSE

Stedall (Vehicle Fittings) Limited

Directors

A E Leahy
D M Pearce

Secretary

D M Pearce

Auditors

Ernst & Young LLP
The Paragon, Counterslip
Bristol BS1 6BX

Bankers

The Royal Bank of Scotland plc
Abbey Gardens
4 Abbey Street
Reading
Berkshire RG1 3BA

Registered Office

Unit 1A
Badminton Road Trading Estate
Yate
Bristol BS37 5JS

Registered No 202224

Directors' report

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

Results and dividends

The profit for the year after taxation amounted to £794,000 (2012 – profit of £793,000) The directors do not recommend a final dividend (2012 – £nil)

Going concern

In assessing the appropriateness of the application of the going concern basis, the directors have considered the trading performance of the company, the available cash and the support of the parent undertaking The directors are of the view that it is appropriate to apply the going concern basis

Directors

The directors who served the company during the year were as follows

A E Leahy
D M Pearce

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006 Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

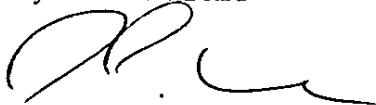
Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

By order of the Board



D M Pearce
Secretary

11/4/2014

Strategic Report

Principal activity and review of the business

The company's principal activity is the sale of commercial vehicle body fittings and associated products in the United Kingdom, Europe and other overseas markets

The company's key performance indicators during the year were as follows

	2013	2012	Change
	£000	£000	%
Turnover	6,813	7,118	-4.3%
Operating profit	972	1,019	-4.6%
Profit after tax	794	793	+0.1%
Shareholders' funds	4,963	4,169	+19%
Current ratio	495%	411%	+84%

Turnover decreased against 2012 due to a contraction in the marketplace in which the company operates

Liquidity ratios have increased by 84% due to an increase in cash

Future developments

The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year

Principal risks and uncertainties

The directors continually review and evaluate the risks that the company is facing. The principal risks and uncertainties facing the company are broadly grouped as competitive risks and financial instrument risks

Competitive risks

Due to the nature of the market in Europe and the rest of the world, the company has faced competition throughout the years. The company puts strong emphasis on its excellent service levels, quality of its products and competitive pricing to its customer base to maintain its position within the market.

Financial instruments risks

The company has established a risk and financial management framework whose primary objectives are to protect the company from events that hinder the achievement of the company's performance objectives. The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business unit level.

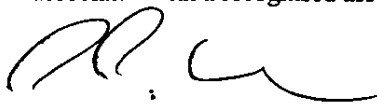
Exposure to price, credit, liquidity and cash flow risk

Price risk arises on inventory purchases, but the company aims to minimise risk through effective management of inventory levels, monitoring stock turn and reviewing prices regularly.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that material deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the company's debtors are shown in note 10 to the financial statements. The company limits individual trade debtor exposures and these limits are reviewed on a continual basis.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing cash generation by its operation and applying cash collection targets. The company is focussed on reducing debtor and inventory days.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability.


D M Pearce
Secretary

11/11/2014

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 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 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.

Independent auditor's report

to the members of Stedall (Vehicle Fittings) Limited

We have audited the financial statements of Stedall (Vehicle Fittings) Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 17. 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 set out on page 3, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report (continued)

to the members of Stedall (Vehicle Fittings) 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

Ernst & Young LLP

Jane Barwell

(Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP (Statutory Auditor)

Bristol

3 April 2014

Profit and loss account

for the year ended 31 December 2013

	<i>Notes</i>	<i>2013</i> <i>£000</i>	<i>2012</i> <i>£000</i>
Turnover	2	6,813	7,118
Cost of sales		<u>(3642)</u>	<u>(3,857)</u>
Gross profit		3,171	3,261
Distribution costs		(610)	(611)
Administrative expenses		<u>(1,589)</u>	<u>(1,631)</u>
Operating profit	3	972	1,019
Interest receivable and similar income	6	<u>65</u>	<u>32</u>
Profit on ordinary activities before taxation		1,037	1,051
Tax	7	<u>(243)</u>	<u>(258)</u>
Profit for the financial year	13	<u>794</u>	<u>793</u>

All amounts relate to continuing activities

Statement of total recognised gains and losses

for the year ended 31 December 2013

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £794,000 in the year ended 31 December 2013 (2012 – profit of £793,000)

Balance sheet

at 31 December 2013

	Notes	2013 £000	2012 £000
Fixed assets			
Tangible assets	8	89	121
		<u>89</u>	<u>121</u>
Current assets			
Stocks	9	806	875
Debtors	10	1,033	1,050
Cash at bank and in hand		4,268	3,426
		<u>6,107</u>	<u>5,351</u>
Creditors , amounts falling due within one year	11	1,233	1,303
Net current assets		<u>4,874</u>	<u>4,048</u>
Total assets less current liabilities		<u>4,963</u>	<u>4,169</u>
Capital and reserves			
Called up share capital	12	78	78
Share premium account	13	5	5
Profit and loss account	13	4,880	4,086
Shareholders' funds	13	<u>4,963</u>	<u>4,169</u>

A. Leahy

A E Leahy

Director

11/4/2014

Notes to the financial statements

at 31 December 2013

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

Going concern

In assessing the appropriateness of the application of the going concern basis, the directors have considered the trading performance of the company, the available cash and the support of the parent undertaking. The directors are of the view that it is appropriate to apply the going concern basis.

Statement of cash flows

The company is exempt from the requirement to prepare a statement of cash flows.

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of assets evenly over their expected useful lives, as follows:

Plant, machinery and equipment	—	10%-33% per annum
Fixtures and fittings	—	10% per annum

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are stated at the lower of cost and net realisable value. Stock is valued on a first-in first-out basis. When necessary, provision is made for damaged, slow-moving or obsolete stocks.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements

at 31 December 2013

1. Accounting policies (continued)

Foreign currencies

Amounts denominated in foreign currency are included in the financial statements at rates ruling at the date of the transactions. At the balance sheet date assets and liabilities are stated at the rates ruling at that date. Any gain or loss on translation is taken to the profit and loss account for the year.

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

Pensions

The company is unable to identify its share of its underlying assets and liabilities in the group defined benefit pension scheme. For the purposes of FRS 17, the scheme is therefore treated as a defined contribution scheme.

The cost of providing retirement pensions and related benefits is charged to the profit and loss account in the period in which contributions become payable.

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and is attributable to one continuing activity, as stated in the directors' report.

An analysis of turnover by geographical market is given below:

	2013 £000	2012 £000
United Kingdom	6,009	6,419
Europe	750	637
Rest of the world	54	62
	<u>6,813</u>	<u>7,118</u>

3. Operating profit

This is stated after charging/(crediting):

	2013 £000	2012 £000
Auditors' remuneration – audit services	16	16
– non audit services	<u>14</u>	<u>11</u>
Depreciation – owned assets	34	26
Amortisation of purchased goodwill	<u> </u>	<u> </u>
Operating lease payments – land and buildings	95	95
– plant and machinery	<u>40</u>	<u>45</u>

Notes to the financial statements

at 31 December 2013

4. Directors' remuneration

	<i>2013</i>	<i>2012</i>
	<i>£000</i>	<i>£000</i>
Aggregate remuneration in respect of qualifying services	<u>253</u>	<u>245</u>

Retirement benefits are accruing to 2 directors under a defined benefit scheme (2012 – 2)

Remuneration of the highest paid director is as follows

	<i>2013</i>	<i>2012</i>
	<i>£000</i>	<i>£000</i>
Aggregate remuneration excluding pension contributions	<u>169</u>	<u>165</u>

	<i>2013</i>	<i>2012</i>
	<i>£000</i>	<i>£000</i>
Pension contributions to defined benefit scheme	<u>9</u>	<u>13</u>

5. Staff costs

	<i>2013</i>	<i>2012</i>
	<i>£000</i>	<i>£000</i>
Wages and salaries	818	821
Social security costs	91	89
Pension costs	503	497
	<u>1,412</u>	<u>1,407</u>

The monthly average number of employees during the year was 25 (2012 – 26)

6. Interest receivable and similar income

	<i>2013</i>	<i>2012</i>
	<i>£000</i>	<i>£000</i>
Bank interest received	<u>65</u>	<u>32</u>

Notes to the financial statements

at 31 December 2013

7. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2013 £000	2012 £000
Current tax:		
UK corporation tax on the profit for the year	248	260
Adjustments in respect of prior years	-	(1)
Total current tax (note 7(b))	248	259
Deferred tax:		
Deferred tax (note 7(c))	(5)	(1)
Tax on profit on ordinary activities	243	258

(b) Factors affecting current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 23.5% (2012 – 24.5%). The differences are explained below

	2013 £000	2012 £000
Profit on ordinary activities before tax	1,037	1,051
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2012 – 24.5%)	241	257
<i>Effects of</i>		
Disallowed expenses	2	1
Depreciation in excess of capital allowances	4	(5)
Other timing differences	1	(6)
Prior year	-	(1)
Total current tax (note 7(a))	248	258

(c) Deferred tax

Movements in the year

	£000
At 1 January 2013 (note 10)	2
Debited to profit and loss account	5
Adjustments in respect of prior years	
At 31 December 2013	7

Notes to the financial statements

at 31 December 2013

7. Tax (continued)

(c) Deferred tax (continued)

The deferred tax asset included in the balance sheet is as follows

	<i>2013</i>	<i>2012</i>
	<i>£000</i>	<i>£000</i>
Decelerated capital allowances	<u>7</u>	<u>2</u>

(d) Factors that may affect future tax charges

Announcements were made during the year by the Chancellor of the Exchequer of proposed changes to corporation tax rates. Reductions in the corporation tax rate from 23% to 21% from 1 April 2014 and, 20% from 1 April 2015 were substantively enacted during the year. Consequently the deferred tax asset has been calculated at the year end using a tax rate of 20%.

Notes to the financial statements

at 31 December 2013

8. Tangible fixed assets

	<i>Plant, machinery and equipment £000</i>	<i>Fixtures and fittings £000</i>	<i>Total £000</i>
Cost			
At 1 January 2013	436	66	502
Additions	-	2	2
Disposal	-	-	-
At 31 December 2013	436	68	504
Depreciation			
At 1 January 2013	366	15	381
Charge for year	26	8	34
Disposal	-	-	-
At 31 December 2013	392	23	415
Net book value			
At 31 December 2013	44	45	89
At 1 January 2013	70	51	121

9. Stocks

	<i>2013 £000</i>	<i>2012 £000</i>
Finished goods and goods for resale	806	875

10. Debtors

	<i>2013 £000</i>	<i>2012 £000</i>
Trade debtors	971	988
Prepayments	55	60
Deferred tax asset (note 7)	7	2
	1,033	1,050

Notes to the financial statements

at 31 December 2013

11. Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	542	649
Corporation tax	149	135
Other taxes and social security costs	183	170
Accruals	359	349
	<u>1,233</u>	<u>1,303</u>

12. Issued share capital

		2013 £		2012 £
<i>Allotted, called up and fully paid</i>	<i>No</i>		<i>No</i>	
Ordinary shares of £1 each	78,150	<u>78,150</u>	78,150	<u>78,150</u>

13. Reconciliation of shareholders' funds and movements on reserves

	Share capital £000	Share premium account £000	Profit and loss account £000	Total share- holders' funds £000
At 1 January 2012	78	5	3,293	3,376
Profit for the year	—	—	793	793
At 1 January 2013	78	5	4,086	4,169
Profit for the year	—	—	794	794
At 31 December 2013	<u>78</u>	<u>5</u>	<u>4,880</u>	<u>4,963</u>

14. Pensions

Throughout the year the employees of the company were members of the Stokvis Pension and Life Assurance Scheme, a contracted-out defined benefit scheme

Contributions to the scheme were determined using the actuarial valuation of the Scheme as at 1 January 2012 by independent actuaries using the attained age method. The principal actuarial assumptions adopted were a rate of return on investments of 4.6% per annum, salary increases of 4.1% pa, and retail price index to increase at the rate of 3.6% per annum. At the valuation date the actuarial value of the assets on this basis was sufficient to cover 82% of the benefits that had accrued to members in the Scheme.

The market value of the Scheme's assets at 31 December 2013 was £17,255,000 (2012 – £15,225,000) and the most recent interim valuation of the scheme revealed a deficit of £3,867,000. The company is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis and for the purposes of FRS 17 the scheme is therefore treated as a defined contribution scheme.

Notes to the financial statements

at 31 December 2013

14. Pensions (continued)

Contributions are based on pension costs across the group of companies participating in the scheme. The company's contributions in the year were £361,597 (2012 – £363,439). Under the scheme financial recovery plan, the employer's contributions are currently set at 8% of pensionable earnings plus whichever is the greater of £330,000 or 33.6% of the combined profit before tax of the company and Steril UK Ltd.

Contributions for the next accounting period are estimated to be £453,146.

15. Other financial commitments

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below:

	2013		2012	
	<i>Land and buildings</i>	<i>Other</i>	<i>Land and buildings</i>	<i>Other</i>
	£000	£000	£000	£000
Operating leases which expire				
Within one year	-	2	-	10
In two to five years	-	37	-	30
Over five years	95	-	95	-
	<u>95</u>	<u>39</u>	<u>95</u>	<u>40</u>

16. Related party transactions

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with related parties as it was a wholly owned subsidiary undertaking throughout the year.

17. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Defiance Tools Limited.

The company's ultimate parent undertaking is Stichting Administratiekantoor Citadel Enterprises, a company incorporated in The Netherlands. A copy of the group financial statements, which include the company, are available from Soestdijkerstraatweg 66a, 1213 XE Hilversum, The Netherlands, and represent both the largest and smallest group of undertakings in which the results of the company are group.