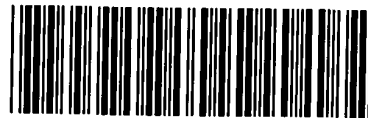


**REGISTERED NUMBER: 00359586 (England and Wales)**

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

THURSDAY



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COMPANIES HOUSE

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

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**WILLIAM COOK STANHOPE 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>	00359586 (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 during the period has been generally satisfactory, particularly in view of the economic climate and collapse in the prices of most industrial commodities, the extraction of which constitutes a significant market sector.

Turnover decreased to £11,623,812 in the year ended 1 July 2017 from £18,547,541 in the year ended 2 July 2016 primarily as a result of the decision by our major off-highway customer to re-source supply to low-cost countries.

Gross profit was £1,959,600 in 2016 against £2,975,663 in 2016. Normal operating expenses (excluding exceptional items) were £1,912,168 compared with £2,127,141 in the prior period.

The loss for the financial period amounted to £230,530 (2016: £631,140 - profit).

**Balance sheet**

The directors present financial statements showing shareholder's funds of £6,565,320 as at 1 July 2017 compared to £6,795,849 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:

- Reduced demand from the Company's main markets
- Bad management
- Collapsed mineral prices
- Hostile trade union interference

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 daily are:

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

KPIs monitored weekly and monthly are:

- Profit and cash generation
- Man hours per tonne
- Labour cost per tonne
- Overtime and absenteeism
- 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 design, manufacture and supply of steel products and complex engineered assemblies in high strength steels, other metals and polymers.

**DIVIDENDS**

No dividends will be paid for the year ended 1 July 2017 (period ended 2 July 2016: £4,000,000).

**FUTURE DEVELOPMENTS**

The directors are confident about the long-term prospects for the Company, which is well established and focussed on specialist markets, where quality and service have an intrinsic value and significant added value is also provided.

Careful investment continues to be made where necessary to support or improve the Company's operating efficiency.

**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

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

W J Cook ceased to be a director after 1 July 2017 but prior to the date of this report.

**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**

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 STANHOPE LIMITED**

**Opinion**

We have audited the financial statements of William Cook Stanhope 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.

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.

**Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

**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 STANHOPE 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.



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

Date: 29 March 2018

**WILLIAM COOK STANHOPE LIMITED (REGISTERED NUMBER: 00359586)**

**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	11,623,812	18,547,541
Cost of sales		<u>(9,664,212)</u>	<u>(15,571,878)</u>
<b>GROSS PROFIT</b>		1,959,600	2,975,663
Distribution costs		(202,219)	(329,508)
Administrative expenses		<u>(1,950,636)</u>	<u>(1,797,633)</u>
<b>OPERATING (LOSS)/PROFIT and (LOSS)/PROFIT BEFORE TAXATION</b>	6	(193,255)	848,522
Tax on (loss)/profit	8	<u>(37,275)</u>	<u>(217,382)</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL PERIOD</b>		<u><u>(230,530)</u></u>	<u><u>631,140</u></u>

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

**WILLIAM COOK STANHOPE LIMITED (REGISTERED NUMBER: 00359586)**

**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)/PROFIT FOR THE PERIOD</b>	<b>(230,530)</b>	<b>631,140</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b><u>(230,530)</u></b>	<b><u>631,140</u></b>

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

**WILLIAM COOK STANHOPE LIMITED (REGISTERED NUMBER: 00359586)**

**BALANCE SHEET**  
**1 July 2017**

	Notes	1.7.17 £	2.7.16 £
<b>FIXED ASSETS</b>			
Intangible assets	10	1,150,000	1,270,000
Tangible assets	11	<u>3,330,381</u>	<u>3,363,817</u>
		<u>4,480,381</u>	<u>4,633,817</u>
<b>CURRENT ASSETS</b>			
Stocks	12	3,069,613	2,314,270
Debtors	13	2,528,769	2,075,044
Cash at bank and in hand		-	903,284
		5,598,382	5,292,598
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(3,513,443)</u>	<u>(3,130,566)</u>
<b>NET CURRENT ASSETS</b>		<u>2,084,939</u>	<u>2,162,032</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>6,565,320</u>	<u>6,795,849</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	461,308	461,308
Share premium	19	48,300	48,300
Revaluation reserve	19	2,277,082	2,277,082
Retained earnings	19	<u>3,778,630</u>	<u>4,009,159</u>
<b>SHAREHOLDER'S FUNDS</b>		<u>6,565,320</u>	<u>6,795,849</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

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

**WILLIAM COOK STANHOPE LIMITED (REGISTERED NUMBER: 00359586)**

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

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Total equity £
<b>Balance at 28 June 2015</b>	461,308	7,378,020	48,300	2,277,082	10,164,710
<b>Changes in equity</b>					
Dividends	-	(4,000,000)	-	-	(4,000,000)
Total comprehensive income	-	631,140	-	-	631,140
<b>Balance at 2 July 2016</b>	<u>461,308</u>	<u>4,009,160</u>	<u>48,300</u>	<u>2,277,082</u>	<u>6,795,850</u>
<b>Changes in equity</b>					
Total comprehensive income	-	(230,530)	-	-	(230,530)
<b>Balance at 1 July 2017</b>	<u>461,308</u>	<u>3,778,630</u>	<u>48,300</u>	<u>2,277,082</u>	<u>6,565,320</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 Stanhope 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.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain tangible fixed assets, and in accordance with applicable accounting standards. Under Company law, the Directors are required to consider whether it is appropriate to prepare financial statements on the basis that the Company is a going concern. As part of its normal business practice, budgets, cash flow forecasts and longer term financial projections are prepared and in reviewing this information, the Directors are satisfied that the Company have adequate resources to enable them to continue in business for the foreseeable future. The Directors have therefore adopted the going concern basis in the preparation of 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.

**Intangible fixed assets and amortisation**

Intangible fixed assets being the amount paid for Customer Relationships and purchased in 2007 are capitalised at cost and amortised by equal instalments over their estimated useful economic life of 20 years. These intangible assets are subject to annual impairment reviews.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

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

Plant and machinery	- 10% - 20% on cost or revalued amount
Fixtures and fittings	- 20% on cost
Motor vehicles	- 33.3% on reducing balance

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.

**Research and development**

Expenditure on research and development is charged to the profit and loss account in the year in which it is incurred.

**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.

**Hire purchase and 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 an active defined contribution group personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

**Government grants**

Government grants in respect of capital expenditure are recognised over the expected useful economic lives of the related assets. Any amounts not recognised immediately in the profit and loss account are included in the balance sheet as deferred income.

**WILLIAM COOK STANHOPE LIMITED (REGISTERED NUMBER: 00359586)**

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

**3. TURNOVER**

The turnover and loss (2016 - profit) 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	10,012,202	15,595,131
Europe	1,108,951	1,996,476
United States of America	453,573	898,457
Rest of World	49,086	57,477
	<u>11,623,812</u>	<u>18,547,541</u>

**4. EMPLOYEES AND DIRECTORS**

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
Wages and salaries	2,606,088	3,186,403
Social security costs	206,782	278,470
Other pension costs	33,659	34,589
	<u>2,846,529</u>	<u>3,499,462</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	68	87
Sales and administration	<u>22</u>	<u>27</u>
	<u>90</u>	<u>114</u>

**5. DIRECTORS' EMOLUMENTS**

Total remuneration received by qualifying directors for services to the Company and the Group in the financial year was £490,432. The directors were remunerated through the ultimate parent company, William Cook Holdings Limited, and fellow subsidiary company William Cook Cast Products Limited.



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

6. OPERATING (LOSS)/PROFIT

The operating loss (2016 - operating profit) 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	109,137	89,814
Other operating leases	160,084	219,105
Depreciation - owned assets	566,779	542,502
Profit on disposal of fixed assets	-	(1,500)
Customer relationships amortisation	120,000	118,000
Auditor's remuneration for the audit of the company's financial statements	16,524	16,000
Auditor's remuneration for taxation compliance services	5,500	5,996
Foreign exchange differences	(1,101)	63
Research & development	<u>12,535</u>	<u>32,868</u>

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>240,687</u>	<u>-</u>

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

8. TAXATION

**Analysis of the tax charge**

The tax charge 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	103,777	230,173
Adjustment in respect of prior period	<u>(5,552)</u>	<u>71,848</u>
Total current tax	<u>98,225</u>	<u>302,021</u>
Deferred tax:		
Current period	(63,326)	(19,679)
Adjustments relating to prior period	(696)	(68,840)
Effect of rate change	<u>3,072</u>	<u>3,880</u>
Total deferred tax	<u>(60,950)</u>	<u>(84,639)</u>
Tax on (loss)/profit	<u>37,275</u>	<u>217,382</u>

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

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

The tax assessed for the period is higher 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)/profit before tax	<u>(193,255)</u>	<u>848,522</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19.750% (2016 - 20%)	(38,168)	169,704
Effects of:		
Expenses not deductible for tax purposes	68,456	52,498
Adjustments to tax charge in respect of previous periods	(3,176)	6,888
Difference between deferred tax and corporation tax rates	<u>10,163</u>	<u>(11,708)</u>
Total tax charge	<u>37,275</u>	<u>217,382</u>

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

9. DIVIDENDS

	Period 3.7.16 to 1.7.17 £	Period 28.6.15 to 2.7.16 £
Ordinary shares of £0.25 each		
Interim dividend for the current financial period	-	<u>4,000,000</u>

10. INTANGIBLE FIXED ASSETS

	Customer relationships £
<b>COST</b>	
At 3 July 2016 and 1 July 2017	<u>2,480,000</u>
<b>AMORTISATION</b>	
At 3 July 2016	1,210,000
Amortisation for period	<u>120,000</u>
At 1 July 2017	<u>1,330,000</u>
<b>NET BOOK VALUE</b>	
At 1 July 2017	<u>1,150,000</u>
At 2 July 2016	<u>1,270,000</u>

In the opinion of the directors, there was no material difference between the carrying amount and fair value of Intangible Fixed assets at 1 July 2017.

11. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 3 July 2016	4,657,937	559,125	60,879	5,277,941
Additions	<u>519,414</u>	<u>13,929</u>	-	<u>533,343</u>
At 1 July 2017	<u>5,177,351</u>	<u>573,054</u>	<u>60,879</u>	<u>5,811,284</u>
<b>DEPRECIATION</b>				
At 3 July 2016	1,326,149	547,593	40,382	1,914,124
Charge for period	<u>551,516</u>	<u>6,503</u>	<u>8,760</u>	<u>566,779</u>
At 1 July 2017	<u>1,877,665</u>	<u>554,096</u>	<u>49,142</u>	<u>2,480,903</u>
<b>NET BOOK VALUE</b>				
At 1 July 2017	<u>3,299,686</u>	<u>18,958</u>	<u>11,737</u>	<u>3,330,381</u>
At 2 July 2016	<u>3,331,788</u>	<u>11,532</u>	<u>20,497</u>	<u>3,363,817</u>

At the date of transition to FRS 102, the revalued plant and machinery has been valued at deemed cost as a result of a previous GAAP revaluation dated 29 March 2014, and in accordance with section 35 of FRS 102.

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

12. STOCKS

	1.7.17	2.7.16
	£	£
Raw materials and consumables	1,676,047	1,455,310
Work-in-progress	1,685,006	1,004,960
Provisions	(291,440)	(146,000)
	<u>3,069,613</u>	<u>2,314,270</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1.7.17	2.7.16
	£	£
Trade debtors	369,282	804,263
Amounts owed by group undertakings	1,948,728	1,070,624
Deferred tax asset (see note 17)	115,551	54,601
Prepayments and accrued income	95,208	145,556
	<u>2,528,769</u>	<u>2,075,044</u>

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1.7.17	2.7.16
	£	£
Bank loans and overdrafts (see note 15)	561,165	-
Trade creditors	1,936,934	2,263,570
Corporation tax	317,278	98,823
Social security and other taxes	70,604	106,742
VAT	184,109	298,855
Other creditors	-	23,840
Accruals and deferred income	443,353	338,736
	<u>3,513,443</u>	<u>3,130,566</u>

15. 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>561,165</u>	<u>-</u>

16. LEASING AGREEMENTS

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

	1.7.17	2.7.16
	£	£
Within one year	180,612	243,752
Between one and five years	<u>25,355</u>	<u>205,966</u>
	<u>205,967</u>	<u>449,718</u>

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

17. DEFERRED TAX

	£
Balance at 3 July 2016	(54,601)
Credit to Income Statement during period	<u>(60,950)</u>
Balance at 1 July 2017	<u>(115,551)</u>

The deferred tax debtor is included within debtors at note 13.

The elements of deferred taxation are as follows:

	1.7.17	2.7.16
	£	£
Difference between accumulated depreciation and amortisation of capital allowances	(98,030)	(51,004)
Other timing differences	<u>(17,521)</u>	<u>(3,597)</u>
	<u>(115,551)</u>	<u>(54,601)</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	1.7.17	2.7.16
			£	£
1,845,232	Ordinary	£0.25	<u>461,308</u>	<u>461,308</u>

19. RESERVES

	Retained earnings	Share premium	Revaluation reserve	Totals
	£	£	£	£
At 3 July 2016	4,009,160	48,300	2,277,082	6,334,542
Deficit for the period	<u>(230,530)</u>	<u>-</u>	<u>-</u>	<u>(230,530)</u>
At 1 July 2017	<u>3,778,630</u>	<u>48,300</u>	<u>2,277,082</u>	<u>6,104,012</u>

Revaluation reserve

This reserve represents the pre-FRS 102 cumulative revaluation gains and losses on revaluation of plant and machinery held as tangible assets.

20. PENSION COMMITMENTS

The company makes contributions to a group personal pension scheme.

The assets of the 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 period was £33,659 (2016: £34,589).

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

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

**21. ULTIMATE PARENT COMPANY**

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

**22. 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).

Business name has given guarantees in respect of bank indebtedness of fellow group undertakings, which amounted to £6,456,000 (2016: £4,411,000).

**23. CAPITAL COMMITMENTS**

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

**24. 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.

**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**

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

**Useful economic life of goodwill**

The directors have assessed that the goodwill related to historic acquisitions has a useful economic life of 20 years.

**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.