

Registered no 540840

# **CRESCENT OF CAMBRIDGE LIMITED**

Annual report  
for the period ended 30 June 2011

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# **CRESCENT OF CAMBRIDGE LIMITED**

## **Annual report for the period ended 30 June 2011**

Registered no: 540840

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# CRESCENT OF CAMBRIDGE LIMITED

## **Directors' report for the period ended 30 June 2011**

The directors present their report and the audited financial statements for the period ended 30 June 2011

### **Principal activities**

The principal activity of the company is the design, manufacture and supply of spiral staircases

### **Future Developments**

The company continues to consolidate its market share within the spiral staircase sector, but is actively attempting to increase its market share within the straight flight sector

### **Review of business**

The profit and loss account for the period is set out on page 6. Turnover has decreased from £2,063,969 to £1,891,114 which represents decrease of 8.37%, with a reduction in Gross Margin from 31% to 25% in the same period. Turnover and gross margin information represent the Key Performance Indicators used to manage the business.

### **Principal risks and uncertainties**

**General sustainable growth in operating profit**

The directors aim to achieve steady sustainable growth in operating profit. Strong cash management is fundamental to delivering sustainable profit growth and the consistent delivery of cash-backed profit remains a key performance indicator.

**Ability to win market share**

The company's ability to win market share is dependent on its responsiveness to changes in customer requirements and demands. Management's ability to increase prices depends in part on how the company's competitors respond to changing market conditions.

**Ensure the safety of our people**

The health and safety of our people and everyone who works with us or is affected by our operations is paramount. We have the objective of eliminating reportable accidents which requires the constant vigilance and commitment of everyone in the company to ensure that safe working practices are consistently adopted and supported by rigorous reviews, audits and training.

### **Dividends and transfers to reserves**

A dividend of £nil has been paid for the period (2010: Nil). The total loss for the financial period of £280,878 (2010: loss of £147,470) has been transferred to reserves.

### **Directors**

The directors of the company who held office during the year were

J A F Walker - Resigned 06/04/2011

C A Stott

S J Horton

D J Pett – Appointed 06/04/2011

# CRESCENT OF CAMBRIDGE LIMITED

## **Directors' report (continued) for the period ended 30 June 2011**

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The directors' report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006

### **By order of the board**



**D. Pett**  
**Director**  
**26 March 2012**

Edison Road  
St Ives  
Cambridgeshire  
PE27 3LG

Company Registration No 540840

# CRESCENT OF CAMBRIDGE LIMITED

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss 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 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

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have a 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

# **CRESCENT OF CAMBRIDGE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRESCENT OF CAMBRIDGE LIMITED**

We have audited the financial statements of Crescent of Cambridge for the year ended 30 June 2011 set out pages 6 to 16.

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 auditors**

As explained more fully in the Statement of Directors' Responsibilities, 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 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 Directors' Report 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 financial statements**

In our opinion, the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2011 and of its loss 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

# CRESCENT OF CAMBRIDGE LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRESCENT OF CAMBRIDGE LIMITED (CONTINUED)

### Opinion of 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 to our audit

M Stallabrass

**Matthew Stallabrass**  
Senior Statutory Auditor

For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor and Chartered Accountants, London

27 March 2012

# CRESCENT OF CAMBRIDGE LIMITED

## Profit and loss account For the period ended 30 June 2011

	Notes	2011 £	2010 £
Turnover	2	1,891,114	2,063,969
Cost of sales		(1,421,792)	(1,418,309)
Gross profit		469,322	645,660
Administrative expenses		(771,493)	(796,614)
Operating (loss)		(302,171)	(150,954)
Interest payable and similar charges	5	(168)	(672)
(Loss) on ordinary activities before taxation	6	(302,339)	(151,626)
Tax credit on loss on ordinary activities	7	21,461	4,156
(Loss) on ordinary activities after taxation		(280,878)	(147,470)
(Loss) for the financial period		(280,878)	(147,470)

The above figures all relate to continuing operations

There are no recognised gains or losses in either year other than the result for that year



# CRESCENT OF CAMBRIDGE LIMITED

## Balance sheet at 30 June 2011

	Notes	2011 £	2010 £
<b>Fixed assets</b>			
Tangible assets	9	1,207,804	1,306,898
<b>Current assets</b>			
Stocks	11	390,354	391,659
Debtors	12	436,518	593,797
Cash at bank and in hand		376,198	430,925
		<u>1,203,070</u>	<u>1,416,381</u>
<b>Creditors: amounts falling due</b>			
Within one year	13	(1,056,681)	(1,066,747)
<b>Net current assets</b>		<u>146,389</u>	<u>349,634</u>
<b>Total assets less current liabilities</b>		<u>1,354,193</u>	<u>1,656,532</u>
Provision for liabilities and charges	14	(7,533)	(28,994)
<b>Net assets</b>		<u>1,346,660</u>	<u>1,627,538</u>
<b>Capital and reserves</b>			
Called up share capital	17	123,103	123,103
Capital redemption reserve	18	41,330	41,330
Revaluation reserve	18	711,137	735,637
Profit and loss account	18	471,090	727,468
<b>Total shareholder's funds</b>		<u>1,346,660</u>	<u>1,627,538</u>

These financial statements were approved and authorised for issue by the board of directors on 26 March 2012 and were signed on its behalf by

  
D. J. Pett  
Director

Company number 540840

# CRESCENT OF CAMBRIDGE LIMITED

## Note of historical cost profit and losses

	2011 £	2010 £
Reported (loss) on ordinary activities before taxation	(302,339)	(147,470)
Difference between historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	24,499	33,667
<b>Historical cost (loss) on ordinary activities before taxation</b>	<b>(277,840)</b>	<b>(113,803)</b>
<b>Historical cost (loss) retained after taxation and dividends</b>	<b>(277,840)</b>	<b>(113,803)</b>

## Reconciliation of movements in shareholder's funds

	2011 £	2010 £
(Loss) for the financial period	(280,878)	(147,470)
Dividends	-	-
Retained (loss)	(280,878)	(147,470)
Revaluation of fixed assets	-	-
Net depletion to shareholder's funds	(280,878)	(147,470)
Opening shareholder's funds	1,627,538	1,775,008
<b>Closing shareholder's funds</b>	<b>1,346,655</b>	<b>1,627,538</b>

# CRESCENT OF CAMBRIDGE LIMITED

Notes to the financial statements for the period 30 June 2011

## 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

### Basis of accounting

The financial statements are prepared in accordance with the historical cost convention as modified by the revaluation of certain fixed assets

### Cash flow statement

Under FRS1 the company is exempt from the requirement to prepare a cash flow statement as the company's cash flows are included in the consolidated cash flow statement prepared by the ultimate parent company

### Tangible fixed assets

Tangible fixed assets are written off over their expected useful economic lives by the following methods

Freehold buildings	50 years straight-line
Plant and machinery	5 - 10 years straight-line
Specialised press tooling	10 years straight-line
Motor vehicles	3 - 5 years straight-line
Fixtures and fittings	2 - 5 years straight-line
Freehold land is not depreciated	

Land and buildings and specialised press tooling are carried at valuation. These assets are subject to an annual Director's valuation where the Directors consider whether or not there has been a material change in their valuation. Every three years the assets will be subject to an external valuation. Any impairment in tangible assets is recognised immediately.

### Finance and operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Leasing agreements that transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

### Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

# **CRESCENT OF CAMBRIDGE LIMITED**

**Notes to the financial statements for the period 30 June 2010 (Continued)**

## **1. Accounting Policies (continued)**

### **Taxation**

The charge for taxation is based on the profit for the period and takes into account deferred taxation. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19.

### **Pensions**

The company contributes to a group personal pension plan. Contributions to the group personal pension plan are charged against profits as incurred.

### **Related party transactions**

The company has taken advantage of the exemption provided by Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions between group companies.

# CRESCENT OF CAMBRIDGE LIMITED

Notes to the financial statements for the period ended 30 June 2011 (Continued)

## 2. Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied, exclusively within the UK

## 3. Directors' emoluments

	2011 £	2010 £
Aggregate emoluments	37,162	-
Company pension contributions to personal pension plan	458	-

Retirement benefits are accruing to 1 director under a group personal pension plan (2010 0)

### Emoluments of highest paid director

	2011 £	2010 £
Total emoluments (excluding pension contribution)	41,238	-

Company contributions paid to the pension scheme on behalf of this director during the period amounted to £458 (2010 £nil)

## 4. Employee information

The average number of persons (including executive directors) employed by the company during the period was

	2011 Number	2010 Number
<b>By activity</b>		
Production	9	18
Sales, distribution and administration	13	14
	22	32

	2011 £	2010 £
<b>Staff costs</b>		
Wages and salaries	848,619	731,656
Social security costs	82,967	82,877
Other pension costs (see note 17)	48,239	52,457
	979,825	866,990

# CRESCENT OF CAMBRIDGE LIMITED

Notes to the financial statements for the period ended 30 June 2011 (Continued)

## 5. Interest Payable and Similar Charges

	£ 2011	£ 2010
Finance charges payable in respect of hire purchase contracts	168	672

## 6. Notes to profit and loss account

	£ 2011	£ 2010
Loss on ordinary activities before taxation is stated after charging		
Depreciation charge for the period – owned assets	79,880	97,412
– leased assets	19,214	23,144
Operating Leases – hire of plant and machinery	46,763	38,408
Loss on sale of fixed assets	475	1,193

	£ 2011	£ 2010
Auditors' remuneration - audit of these financial statements	10,000	10,000

## 7. Tax on loss on ordinary activities

	£ 2011	£ 2010
Analysis of tax charge		
Current UK corporation tax (see below)		
Prior year	-	(33,150)
Deferred tax		
Origination and reversal of timing differences	(21,461)	28,994
	(21,461)	(4,156)

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2010 lower) than the standard rate of corporation tax in the UK of 27.5% (2010 28.0%). The differences are explained below

	£ 2011	£ 2010
Current tax reconciliation		
(Loss) on ordinary activities before taxation	(302,339)	(151,476)
Current tax at 27.5% (2010 28.0%)	(84,143)	(42,413)
Capital allowances in excess of depreciation for the period	8,692	10,058
Prior year tax	-	(33,150)
Group relief claimed	75,451	32,355
Current tax	-	(33,150)

## 8. Dividend

	£ 2011	£ 2010
Interim dividends paid in respect of the current year	-	-

# CRESCENT OF CAMBRIDGE LIMITED

Notes to the financial statements for the period ended 30 June 2011 (Continued)

## 9. Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Specialised Press Tooling	Motor Vehicles	Fixtures and fittings	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 July 2010	1,236,812	543,266	100,000	47,304	490,311	2,417,693
Additions	-	-	-	-	-	-
Disposals	-	-	-	(6,342)	-	(6,342)
<b>At 30 June 2011</b>	<b>1,236,812</b>	<b>543,266</b>	<b>100,000</b>	<b>40,962</b>	<b>490,311</b>	<b>2,411,351</b>
Depreciation						
At 1 July 2010	78,948	475,445	100,000	45,993	410,409	1,110,795
Charge for year	26,862	34,957	-	1,311	35,965	99,094
Disposals	-	-	-	(6,342)	-	(6,342)
<b>At 30 June 2011</b>	<b>105,810</b>	<b>510,402</b>	<b>100,000</b>	<b>40,962</b>	<b>446,373</b>	<b>1,203,547</b>
Net book value						
<b>At 30 June 2011</b>	<b>1,131,002</b>	<b>32,864</b>	<b>-</b>	<b>-</b>	<b>43,938</b>	<b>1,207,804</b>
At 1 July 2010	1,157,864	67,821	-	1,311	79,902	1,306,898

Included in the total net book value of tangible fixed assets is £18,407 (2010 £36,312) in respect of assets held under hire purchase contracts. The depreciation charge in respect of these assets is £17,904 (2010 £17,904).

## 10. Fixed asset revaluation

On 7<sup>th</sup> August 2009, Westley & Huff, a third party qualified Chartered Surveyor, carried out a valuation of the freehold land and buildings as at 30 June 2009. The valuation was not materially different to the carrying value at that date and so no adjustment was made to restate freehold land and buildings. The historic cost of freehold land and buildings before historic cost depreciation is £388,524 (2010 £388,524).

The specialised press tooling was revalued by the Directors on a continuing use basis as at 30 June 2011 and the value was deemed to be negligible. The cost under the historical cost convention before historic cost depreciation is £45,000 (2010 £45,000).

# CRESCENT OF CAMBRIDGE LIMITED

Notes to the financial statements for the period ended 30 June 2011 (Continued)

## 11. Stocks

	2011 £	2010 £
Raw materials & Consumables	336,992	304,284
Work in progress	53,362	70,756
Finished goods and goods for resale	-	16,619
	<u>390,354</u>	<u>391,659</u>

## 12. Debtors

	2011 £	2010 £
<b>Amounts falling due within one year</b>		
Trade debtors	283,838	581,010
Other debtors – Intercompany	139,212	-
Prepayments and accrued income	13,468	12,787
	<u>436,518</u>	<u>593,797</u>

Trade debtors includes an amount of £39,804 (2010 £96,722) which is due after more than one year

## 13. Creditors: amounts falling due within one year

	2011 £	2010 £
Obligations under hire purchase agreements (note 15)	-	1,310
Payments received on account	23,232	24,307
Trade creditors	99,594	195,115
Amounts owed to group undertakings	812,927	744,249
Other taxes and social security costs	104,636	61,983
Accruals and deferred income	16,292	15,967
Corporation Tax	-	23,816
	<u>1,056,681</u>	<u>1,066,747</u>

## 14. Provisions for liabilities and charges

Deferred tax	2011 £	2010 £
At the beginning of the year	28,994	-
Charged/(released) during the year	(21,461)	28,994
Liability at the end of the year	<u>7,533</u>	<u>28,994</u>

The deferred taxation balance is made up as follows

Accelerated capital allowances	<u>7,533</u>	<u>28,994</u>
	<u>7,533</u>	<u>28,994</u>



# CRESCENT OF CAMBRIDGE LIMITED

Notes to the financial statements for the period ended 30 June 2011 (Continued)

## 15. Finance leases

The net finance lease obligations are payable as follows

	2011 £	2010 £
In one year or less	-	1,310
	<u>-</u>	<u>1,310</u>

## 16. Pension obligations

Crescent of Cambridge Limited operates a group personal pension plan on behalf of its employees, to which the employer contributes 10% and the employee contributes 5% of their salary. The pension charge for the period was £48,239 (2010 £52,459)

## 17. Called up share capital

	2011 £	2010 £
<b>Authorised</b>		
131,490 'A' ordinary shares of 50p each	65,745	65,745
131,490 'B' ordinary shares of 50p each	65,745	65,745
114,667 10% cumulative redeemable preference shares of £1 each	114,667	114,667
32,943 9% cumulative participating preferred ordinary shares of £1 each	32,943	32,943
	<u>279,100</u>	<u>279,100</u>
	2011 £	2010 £
<b>Allotted, called up and fully paid</b>		
92,660 'A' ordinary shares of 50p each	46,330	46,330
87,660 'B' ordinary shares of 50p each	43,830	43,830
32,943 9% cumulative participating preferred ordinary shares of £1 each	32,943	32,943
	<u>123,103</u>	<u>123,103</u>

The parent company of Crescent of Cambridge Limited has waived its entitlement to a dividend from the 9% cumulative participating preferred ordinary shares

## 18. Reserves

	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £
At beginning of period	41,330	735,637	727,468
Revaluation of land & buildings	-	-	-
Retained (loss) for the financial period	-	-	(280,878)
Dividends on shares classified in shareholders funds	-	-	-
Transfer	-	(24,500)	24,500
<b>At end of period</b>	<b>41,330</b>	<b>711,137</b>	<b>471,090</b>

There is no tax effect arising on the transfer from the revaluation reserve to the profit and loss reserve

# CRESCENT OF CAMBRIDGE LIMITED

Notes to the financial statements for the period ended 30 June 2011 (Continued)

## 19. Capital Commitments

The company has capital commitments amounting to £nil at 30 June 2011 (2010 £nil)

## 20. Contingent Liabilities

The company has guaranteed the bank borrowings of certain of its fellow subsidiary undertakings

## 21. Financial commitments

At 30 June 2011 the company had annual commitments under non-cancellable operating leases for plant and machinery as follows.

	2011	2010
	£	£
Expiring within two to five years	0	240

## 22. Ultimate Controlling Parent Company

The Company is a subsidiary undertaking of SWP Group PLC. The financial statements of the company are included within the consolidated financial statements of SWP Group PLC. Copies of the consolidated financial statements may be obtained from The Secretary, SWP Group PLC, Bedford House, 1 Regal Lane, Soham, Ely, Cambridgeshire CB7 5BA