

Registration number 00552560

**Westleys Limited**  
**Directors' report and financial statements**  
**for the year ended 31 August 2014**

**Walker Hubble**  
**Chartered Accountants**  
**Statutory Auditor**  
**5 Parsons Street**  
**Dudley**  
**West Midlands**  
**DY1 1JJ**



## **Westleys Limited**

### **Company information**

Directors	J M Salisbury P A Hine M J Richards R J Salisbury
Secretary	Newfield Trust Services Limited
Company number	00552560
Registered office	Doulton Road Cradley Heath Warley B64 5QS
Auditors	Walker Hubble 5 Parsons Street Dudley West Midlands DY1 1JJ
Business address	P O Box 1 Doulton Road Cradley Heath Warley B64 5QS
Bankers	Barclays Bank Plc 15 Colmore Row Birmingham B3 2EP

## **Westleys Limited**

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**Westleys Limited**  
**Strategic report**  
**for the year ended 31 August 2014**

**Principal activity**

The principal activity of the company continues to be non-ferrous founding and machining.

**Review of the business and future developments**

Market conditions were very challenging and this led to a 12% reduction in turnover. The directors foresaw the difficult market conditions and took steps to prepare the business for fluctuations in demand. As such the production of raw castings was transferred to a sister company site during the year allowing the group to reduce the direct operating costs of both Companies and therefore put both Companies in a better position to produce profits during periods of reduced demand.

These changes have also resulted in a saving in overhead costs of £452,095. Further savings are expected when the Company operates for a full 12 months with the new structure. Although the Company did make an operating profit of £4,428, the exceptional cost of implementing the structural changes meant the Company recorded a loss before tax of £90,997.

**Key Performance Indicators**

	<b>31st August 2014</b>	<b>31st August 2013</b>
Turnover	£9,657,119	£10,978,175
Turnover per employee	£219,480	£148,354
Gross Profit	£933,817	£1,481,909
Gross Profit %	10%	13%
EBITDA (before exceptional items)	£189,826	£273,348

The directors are confident that the new structure of the business will mean the Company increases its profitability in the next financial year.

**Westleys Limited**  
**Strategic report**  
**for the year ended 31 August 2014**

..... continued

**Principal risks and uncertainties**

The management continually monitors the key risks facing the business as well as assessing the controls used for managing these risks.

The markets the Company mainly operates in expose it to a demand led by gas and oil price. The current weakening of the gas and oil price is having an impact on demand and the Company is exploring new markets to reduce the exposure to this market.

A significant proportion of the Company's turnover is to export markets. The weakening of the euro against sterling has had the impact of reducing the competitiveness of the business in selling to the European market and placed pressure on margins. In order to combat this there is a greater focus on other geographical markets such as the USA, Far East and Australia.

This area of risk is also managed through appropriate use of exchange rate hedging strategies.

The metal content of the Company's product expose it to fluctuations in metal prices. The Company manages this by purchasing strategies and material price variances applied to sales contracts.

This report was approved by the Board on 7 April 2015 and signed on its behalf by

  
Newfield Trust Services Limited  
Secretary

## **Westleys Limited**

### **Directors' report for the year ended 31 August 2014**

The directors present their report and the financial statements for the year ended 31 August 2014.

#### **Results and dividends**

The results for the year are set out on page 8 - 9.

The directors do not recommend payment of a final dividend.

#### **Financial risk management objectives and policies**

The company's activities expose it to a number of financial risks including price risk, credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the company's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The company does not use derivative financial instruments for speculative purposes.

##### **Cash flow risk**

The company is not significantly exposed to the financial risk of foreign currency exchange rates. Interest bearing assets are held at fixed rates to ensure certainty of cash flows.

##### **Credit risk**

The company's principal financial assets are bank balances and cash, trade and other receivables.

The company's credit risk is primarily attributed to trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

The company has no significant concentration of credit risk, with exposure spread over a large number of customers.

##### **Liquidity risk**

The company has funded and intends to continue funding its ongoing operations and future developments through cash generated from operating activities and secured bank borrowings.

##### **Price risk**

The company is exposed to commodity price risk. The company does manage its exposure to commodity price risk where it is considered financially appropriate, presently this is only in respect of metal purchasing.

#### **Employment policy**

The directors involve and inform the company's employees as much as possible within regulatory constraints. The directors communicate on a quarterly basis through core briefing updates to the employees to promote awareness of current progress and developments within the company. Given the geographical spread and diverse operations of the group each site will also receive more specific communications from the relevant management of their operations on a more regular basis.

The company gives full and fair consideration to employment applications from disabled persons. Where an employee becomes disabled, arrangements are made wherever practical to continue employment by identifying an available job suited to the person's capabilities and providing any necessary retraining.

## **Westleys Limited**

### **Directors' report for the year ended 31 August 2014**

..... continued

#### **Directors**

The directors who served during the year are as stated below:

J M Salisbury

P A Hine

M J Richards

R J Salisbury

J M Salisbury, P A Hine, M J Richards and R J Salisbury are also directors of the immediate holding company, Westley Group Limited and of the ultimate holding company, Musgrave Holdings Limited.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all 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 auditor is aware of that information.

**Westleys Limited**

**Directors' report  
for the year ended 31 August 2014**

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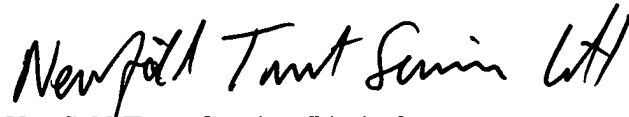
**Strategic report**

Where a company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 it must be stated in the Directors' Report that it has done so. This includes information that would have been included in the business review and the principal risks and uncertainties.

**Auditors**

Walker Hubble are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 7 April 2015 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Newfield Trust Services Ltd', is written over the printed name of the company.

**Newfield Trust Services Limited  
Secretary**

## **Independent auditor's report to the shareholders of Westleys Limited**

We have audited the financial statements of Westleys Limited for the year ended 31 August 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds 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 auditors' 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 Directors' Responsibilities Statement set out on page 3 - 5, 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 Directors' 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 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 August 2014 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.

### **Opinion on other matter prescribed by the Companies Act 2006.**

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

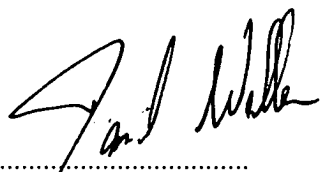
**Independent auditor's report to the shareholders of  
Westleys Limited**

.....continued

**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.



.....  
**David Walker (senior statutory auditor)**  
**For and on behalf of Walker Hubble**  
**Chartered Accountants and**  
**Statutory Auditor**  
**7 April 2015**

**5 Parsons Street**  
**Dudley**  
**West Midlands**  
**DY1 1JJ**

**Westleys Limited**

**Profit and loss account  
for the year ended 31 August 2014**

		<b>Continuing operations</b>	
		<b>2014</b>	<b>2013</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	9,657,119	10,978,175
Cost of sales		(8,723,302)	(9,496,266)
<b>Gross profit</b>		933,817	1,481,909
Administrative expenses		(929,389)	(1,381,484)
<b>Operating profit</b>	<b>3</b>	4,428	100,425
Cost of fundamental reorganisation		(95,425)	-
<b>(Loss)/profit on ordinary activities before interest</b>		(90,997)	100,425
Other interest receivable and similar income	<b>5</b>	-	3
Interest payable and similar charges	<b>6</b>	(890)	(890)
<b>(Loss)/profit on ordinary activities before taxation</b>		(91,887)	99,538
Tax on (loss)/profit on ordinary activities	<b>9</b>	21,262	(18,719)
<b>(Loss)/profit for the year</b>	<b>18</b>	(70,625)	80,819

**The notes on pages 12 to 22 form an integral part of these financial statements.**

**Westleys Limited**

**Statement of total recognised gains and losses  
for the year ended 31 August 2014**

<b>2014</b>	<b>2013</b>
<b>£</b>	<b>£</b>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

**The notes on pages 12 to 22 form an integral part of these financial statements.**

**Westleys Limited**

**Balance sheet  
as at 31 August 2014**

		<b>2014</b>		<b>2013</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>10</b>		742,213		851,424
<b>Current assets</b>					
Stocks	<b>11</b>	820,908		1,884,735	
Debtors	<b>12</b>	2,825,086		3,174,822	
Cash at bank and in hand		6,305		6,260	
		<u>3,652,299</u>		<u>5,065,817</u>	
<b>Creditors: amounts falling due within one year</b>	<b>13</b>	<u>(2,502,050)</u>		<u>(3,924,690)</u>	
<b>Net current assets</b>			<u>1,150,249</u>		<u>1,141,127</u>
<b>Total assets less current liabilities</b>			1,892,462		1,992,551
<b>Creditors: amounts falling due after more than one year</b>	<b>14</b>		-		(8,202)
<b>Provisions for liabilities</b>	<b>15</b>		<u>(43,759)</u>		<u>(65,021)</u>
<b>Net assets</b>			<u>1,848,703</u>		<u>1,919,328</u>
<b>Capital and reserves</b>					
Called up share capital	<b>17</b>		1,550,000		1,550,000
Other reserves	<b>18</b>		230,705		230,705
Profit and loss account	<b>18</b>		67,998		138,623
<b>Shareholders' funds</b>	<b>19</b>		<u>1,848,703</u>		<u>1,919,328</u>

These accounts were approved by the directors on 7 April 2015, and are signed on their behalf by:



**M J Richards**  
**Director**

**Registration number 00552560**

**The notes on pages 12 to 22 form an integral part of these financial statements.**

# Westleys Limited

## Cash flow statement for the year ended 31 August 2014

	Notes	2014 £	2013 £
<b>Reconciliation of operating (loss)/profit to net cash inflow from operating activities</b>			
Operating (loss)/profit		4,428	100,425
Depreciation		185,398	172,923
(Increase)/decrease in stocks		1,063,827	(248,388)
(Increase)/decrease in debtors		349,736	858,644
Increase/(decrease) in creditors		(1,350,363)	(561,115)
Cost of fundamental reorganisation		(95,425)	-
<b>Net cash inflow from operating activities</b>		<u>157,601</u>	<u>322,489</u>

### Cash flow statement

Net cash inflow from operating activities		157,601	322,489
Returns on investments and servicing of finance	23	(890)	(887)
Taxation	23	-	(81,706)
Capital expenditure	23	(75,169)	(221,398)
		<u>81,542</u>	<u>18,498</u>
Financing	23	(8,870)	(8,742)
<b>Increase in cash in the year</b>		<u>72,672</u>	<u>9,756</u>

### Reconciliation of net cash flow to movement in net funds (Note 24)

<b>Increase in cash in the year</b>	72,672	9,756
Cash inflow from increase in debts and lease financing	8,870	8,742
	<u>81,542</u>	<u>18,498</u>
Change in net funds resulting from cash flows	81,542	18,498
New finance leases and hire purchase contracts	(1,018)	(890)
<b>Movement in net funds in the year</b>	<u>80,524</u>	<u>17,608</u>
<b>Net debt at 1 September 2013</b>	(1,273,693)	(1,291,301)
<b>Net debt at 31 August 2014</b>	<u>(1,193,169)</u>	<u>(1,273,693)</u>

## **Westleys Limited**

### **Notes to the financial statements for the year ended 31 August 2014**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

##### **1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

##### **1.3. Revenue recognition**

Revenue is measured as the fair value of the consideration received or receivable net of value added tax, trade discounts and customer returns.

Revenue from sale of goods is recognised when the company has transferred to the buyer the significant risks and rewards of ownership of the goods; the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; the amount of revenue can be measured reliably; it is probable that the economic benefits associated with the transaction will flow to the entity; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **1.4. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	over 4 to 10 years
Fixtures, fittings and equipment	-	over 4 to 10 years
Motor vehicles	-	over 4 to 5 years

##### **1.5. Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **1.6. Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value.

##### **1.7. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

## Westleys Limited

### Notes to the financial statements for the year ended 31 August 2014

..... continued

#### 1.8. Deferred taxation

Deferred tax 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 a right to pay less or to receive more, tax, with the following exceptions:

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.

#### 1.9. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

#### 2. Turnover

	2014	2013
<b>Geographical market</b>		
UK	7,598,547	8,832,209
Europe	605,994	476,252
Rest of the World	1,452,578	1,669,714
	<u>9,657,119</u>	<u>10,978,175</u>

# Westleys Limited

## Notes to the financial statements for the year ended 31 August 2014

..... continued

<b>3. Operating profit</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation		
- written off owned tangible fixed assets	178,440	164,965
- written off tangible fixed assets on HP/Finance lease	7,958	7,958
Net foreign exchange loss	7,973	-
Operating lease rentals		
- Plant and machinery	14,420	39,584
- Land and buildings	27,720	25,600
- Motor vehicles	37,731	19,861
Auditors' remuneration (Note 4)	7,055	7,008
and after crediting:		
Profit on disposal of tangible fixed assets	1,000	-
Net foreign exchange gain	-	15,304
<b>4. Auditors' remuneration</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration - audit of the financial statements	4,500	4,500
Auditors' remuneration - other fees:		
- taxation compliance services	1,000	1,000
- assistance with preparing statutory accounts	1,555	1,508
	2,555	2,508
<b>5. Interest receivable and similar income</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other interest	-	3
<b>6. Interest payable and similar charges</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Hire purchase interest	890	890

# Westleys Limited

## Notes to the financial statements for the year ended 31 August 2014

..... continued

### 7. Employees

<b>Number of employees</b>	<b>2014</b>	<b>2013</b>
The average monthly numbers of employees (including the directors) during the year were:		
Production staff	34	56
Office and management	10	18
	<u>44</u>	<u>74</u>
<b>Employment costs</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Wages and salaries	858,313	1,683,371
Social security costs	91,561	179,447
Pension costs-other operating charge	9,014	6,465
	<u>958,888</u>	<u>1,869,283</u>

### 8. Pension costs

The company operates a defined contribution pension scheme in respect of the employees of the company. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £9,014 (2013 - £6,465).

# Westleys Limited

## Notes to the financial statements for the year ended 31 August 2014

..... continued

### 9. Tax on (loss)/profit on ordinary activities

Analysis of charge in period	2014 £	2013 £
<b>Current tax</b>		
Group relief	-	1,414
Total current tax charge	-	1,414
<b>Deferred tax</b>		
Timing differences, origination and reversal	(21,262)	17,305
Total deferred tax	(21,262)	17,305
Tax on (loss)/profit on ordinary activities	(21,262)	18,719

### Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (22.16 per cent). The differences are explained below:

	2014 £	2013 £
(Loss)/profit on ordinary activities before taxation	(91,887)	99,538
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.16% (31 August 2013 : 23.58%)	(20,363)	23,471
<b>Effects of:</b>		
Expenses not deductible for tax purposes	235	266
Capital allowances for period in excess of depreciation	2,408	(22,323)
Utilisation of tax losses	17,720	-
Current tax charge for period	-	1,414

**Westleys Limited**

**Notes to the financial statements  
for the year ended 31 August 2014**

..... continued

<b>10. Tangible fixed assets</b>	<b>Plant and machinery £</b>	<b>Fixtures, fittings and equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 September 2013	4,540,755	857,593	50,850	5,449,198
Additions	56,983	20,204	-	77,187
Disposals	(6,750)	-	-	(6,750)
At 31 August 2014	<u>4,590,988</u>	<u>877,797</u>	<u>50,850</u>	<u>5,519,635</u>
<b>Depreciation</b>				
At 1 September 2013	3,818,410	764,929	14,435	4,597,774
On disposals	(6,750)	-	-	(6,750)
Charge for the year	143,201	30,485	12,712	186,398
At 31 August 2014	<u>3,954,861</u>	<u>795,414</u>	<u>27,147</u>	<u>4,777,422</u>
<b>Net book values</b>				
At 31 August 2014	<u>636,127</u>	<u>82,383</u>	<u>23,703</u>	<u>742,213</u>
At 31 August 2013	<u>722,345</u>	<u>92,664</u>	<u>36,415</u>	<u>851,424</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

<b>Asset description</b>	<b>2014</b>		<b>2013</b>	
	<b>Net book value</b>	<b>Depreciation charge</b>	<b>Net book value</b>	<b>Depreciation charge</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Motor vehicles	<u>14,590</u>	<u>7,958</u>	<u>22,549</u>	<u>7,958</u>
<b>11. Stocks</b>			<b>2014</b>	<b>2013</b>
			<b>£</b>	<b>£</b>
Raw materials and consumables			677,954	1,358,645
Work in progress			<u>135,557</u>	<u>485,486</u>
			813,511	1,844,131
Finished goods and goods for resale			<u>7,397</u>	<u>40,604</u>
			<u>820,908</u>	<u>1,884,735</u>

# Westleys Limited

## Notes to the financial statements for the year ended 31 August 2014

..... continued

12. Debtors	2014 £	2013 £
Trade debtors	2,086,899	2,306,430
Amounts owed by group undertakings	584,460	293,197
Other debtors	3,360	439,543
Prepayments and accrued income	150,367	135,652
	<u>2,825,086</u>	<u>3,174,822</u>

13. Creditors: amounts falling due within one year	2014 £	2013 £
Bank overdraft	1,191,272	1,263,899
Net obligations under finance leases and hire purchase contracts	8,202	7,852
Trade creditors	538,061	1,832,696
Amounts owed to group undertaking	500,371	524,872
Other taxes and social security costs	87,173	100,605
Other creditors	60,607	64,046
Accruals and deferred income	116,364	130,720
	<u>2,502,050</u>	<u>3,924,690</u>

The bank loans bear interest at commercial rates. The overdraft and bank loans are secured by a debenture over the group's assets.

14. Creditors: amounts falling due after more than one year	2014 £	2013 £
Net obligations under finance leases and hire purchase contracts	-	8,202
	<u>-</u>	<u>8,202</u>
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	8,202	7,852
Repayable between one and five years	-	8,202
	<u>8,202</u>	<u>16,054</u>

**Westleys Limited**

**Notes to the financial statements  
for the year ended 31 August 2014**

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**15. Provisions for liabilities**

	<b>Deferred taxation (Note 16) £</b>	<b>Total £</b>
At 1 September 2013	65,021	65,021
Movements in the year	(21,262)	(21,262)
At 31 August 2014	<u>43,759</u>	<u>43,759</u>

**16. Provision for deferred taxation**

	<b>2014 £</b>	<b>2013 £</b>
Accelerated capital allowances	43,759	65,021
Provision for deferred tax	<u>43,759</u>	<u>65,021</u>
Provision at 1 September 2013	65,021	
Deferred tax credit in profit and loss account	(21,262)	
Provision at 31 August 2014	<u>43,759</u>	

**17. Share capital**

	<b>2014 £</b>	<b>2013 £</b>
<b>Allotted, called up and fully paid</b>		
1,550,000 Ordinary shares of £1 each	<u>1,550,000</u>	<u>1,550,000</u>
<b>Equity Shares</b>		
1,550,000 Ordinary shares of £1 each	<u>1,550,000</u>	<u>1,550,000</u>

# Westleys Limited

## Notes to the financial statements for the year ended 31 August 2014

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18. Equity Reserves	Profit and loss account £	Capital redemption reserve £	Special reserve £	Total £
At 1 September 2013	138,623	6,000	224,705	369,328
Loss for the year	(70,625)			(70,625)
At 31 August 2014	<u>67,998</u>	<u>6,000</u>	<u>224,705</u>	<u>298,703</u>

19. Reconciliation of movements in shareholders' funds	2014 £	2013 £
(Loss)/profit for the year	(70,625)	80,819
Opening shareholders' funds	<u>1,919,328</u>	<u>1,838,509</u>
Closing shareholders' funds	<u>1,848,703</u>	<u>1,919,328</u>

## 20. Financial commitments

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
<b>Expiry date:</b>				
Within one year	20,380	27,600	45,693	43,203
Between one and five years	-	68,100	27,660	65,218
	<u>20,380</u>	<u>95,700</u>	<u>73,353</u>	<u>108,421</u>

## 21. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8, not to disclose transactions with group companies.

# Westleys Limited

## Notes to the financial statements for the year ended 31 August 2014

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### 22. Ultimate parent undertaking

The parent undertaking is Westley Group Limited and the ultimate parent undertaking is Musgrave Holdings Limited. Both companies are registered in England.

The accounts of the ultimate parent undertaking are available at the Registered Office:

Newfield Hall  
Minshull Vernon  
Middlewich  
CW10 0LR

### 23. Gross cash flows

	2014 £	2013 £
<b>Returns on investments and servicing of finance</b>		
Interest received	-	3
Interest paid	(890)	(890)
	<u>(890)</u>	<u>(887)</u>
<b>Taxation</b>		
Corporation tax paid	-	(81,706)
	<u>-</u>	<u>(81,706)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(76,169)	(221,398)
Receipts from sales of tangible assets	1,000	-
	<u>(75,169)</u>	<u>(221,398)</u>
Capital element of finance leases and hire purchase contracts	<u>(8,870)</u>	<u>(8,742)</u>

**Westleys Limited**

**Notes to the financial statements  
for the year ended 31 August 2014**

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**24. Analysis of changes in net funds**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Other changes</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	6,260	45		6,305
Overdrafts	(1,263,899)	72,627		(1,191,272)
	<u>(1,257,639)</u>	<u>72,672</u>		<u>(1,184,967)</u>
Finance leases and hire purchase contracts	(16,054)	8,870	(1,018)	(8,202)
<b>Net funds</b>	<u><u>(1,273,693)</u></u>	<u><u>81,542</u></u>	<u><u>(1,018)</u></u>	<u><u>(1,193,169)</u></u>