

Company Registration No. 0588025 (England and Wales)

THE ANGLE RING COMPANY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
PAGES FOR FILING WITH REGISTRAR

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THE ANGLE RING COMPANY LIMITED

COMPANY INFORMATION

Directors	Mr B F Barnshaw Mr R F Springthorpe Mr D J Springthorpe Mr D T Barnshaw	(Appointed 19 May 2016)
Secretary	Mr M Bunn	
Company number	0588025	
Registered office	Bloomfield Road Tipton West Midlands DY4 9EH	
Auditor	CK Audit No.4 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH	
Business address	Bloomfield Road Tipton West Midlands DY4 9EH	
Solicitors	Higgs & Sons 3 Waterfront Business Park Brierley Hill West Midlands DY5 1LX	

THE ANGLE RING COMPANY LIMITED

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THE ANGLE RING COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present the strategic report for the year ended 31 March 2017.

Fair review of the business

The principal activity of the company continues to be that of metal bending and forming engineers whilst also offering other associated activities such as fabricating and welding. Given the straightforward nature of the business, the company's directors are of the opinion that analysis using "key performance indicators" (KPIs) is not significant for an understanding of the development, performance or position of the business as the only ones of particular relevance being profitability and turnover; with both showing an improvement relative to the previous year. The company continues to research and develop new ideas regarding the bending industry. The majority of this research and development is performed in-house.

The management of the business and the execution of the company's strategy are subject to a number of risks. The directors review these risks and appropriate processes are put in place to monitor and mitigate them. The key business risks and uncertainties affecting the company are considered to relate to the decline in general manufacturing within the UK, the current economic climate and price pressure from competitors. The further fall in the value of sterling has helped with export sales. The company has progressively increased the markets that it serves, significantly reducing reliance upon individual sectors.

The company maintains an important position in the UK market as it is the only company to offer the complete range of services of section bending, induction bending, plate rolling, plate forming, press braking, fabrication, welding and tube manipulation all from one site. The company's competitors may offer some of these services but no other company in the UK offers such a comprehensive range of services all from one location.

The directors remain optimistic about the future of the company although the last financial year has remained difficult. The demand for the company's products for the construction market has been low as projects that are moving forward are tending to be done for what is perceived to be the lowest possible cost option; this can result in a lot of the curved elements being omitted from the designs. The oil and gas market has also been having a particularly tough time so the demand for the company's services from this industry has also remained low. Unfortunately these two markets (construction and oil & gas) are two of the company's major markets. The restructuring exercise that has taken place and the streamlining of operations have improved the company's trading profitability over the last twelve months (compared to the previous year) although the recent HSE prosecution (regarding an incident that occurred in November 2014) has had a significant impact in these latest accounts. Whilst the company pleaded guilty to breaching health and safety legislation it is felt that the fine imposed was excessive and is seeking leave to appeal the level of the fine. These accounts reflect the current level of fine that has been imposed.

The company continues to be as supportive as possible of its employees, through these difficult times, to try and ensure that the skills remain in place for when the economic climate improves. The company has a loyal workforce (the current average length of service is twenty years) with very specialist skills. The company is very aware that these specialist skills are not readily transferable to other businesses and so only undertakes a downsizing exercise when it is unavoidable. So whilst the company has made a loss this financial year, if the effects of the fine for the accident that occurred in 2014 are discounted, the results show an improvement compared to the previous year and therefore the company is hopeful that the positive momentum can be carried forward.

On behalf of the board



Mr D J Springthorpe
Director
19 December 2017

THE ANGLE RING COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets			1		1
Tangible assets	5		844		1,125
Current assets					
Stocks		474,189		452,318	
Debtors	6	1,315,071		1,172,406	
Cash at bank and in hand		488,612		204,294	
		2,277,872		1,829,018	
Creditors: amounts falling due within one year	7	(1,813,526)		(1,231,860)	
Net current assets			464,346		597,158
Total assets less current liabilities			465,191		598,284
Creditors: amounts falling due after more than one year	8		(390,000)		-
Net assets			75,191		598,284
Capital and reserves					
Called up share capital	9		11,886		11,886
Share premium account			270		270
Profit and loss reserves			63,035		586,128
Total equity			75,191		598,284

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 19 December 2017 and are signed on its behalf by:



Mr D J Springthorpe
Director

Company Registration No. 0588025

THE ANGLE RING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

The Angle Ring Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Bloomfield Road, Tipton, West Midlands, DY4 9EH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the reduced disclosure exemptions for subsidiaries as follows:

- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A providing the equivalent disclosures required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.
- The requirement of Section 33 Related Party Disclosures paragraph 33.7.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Angle Ring Company Limited is a wholly owned subsidiary of Angle Ring Holdings Limited and the results of Angle Ring Company Limited are included in the consolidated financial statements of Angle Ring Holdings Limited which are available from Bloomfield Road, Tipton, West Midlands, DY4 9EH.

1.2 Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

THE ANGLE RING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Motor vehicles	25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

THE ANGLE RING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

THE ANGLE RING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Foreign exchange

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling as at the date of the transaction. Monetary assets and liabilities in the balance sheet are translated at the rate of exchange ruling at the balance sheet date. Gains and losses on translation and conversion are included as part of the results from ordinary activities.

2 Exceptional costs

	2017 £	2016 £
Health & safety executive fine and associated costs	414,000	-

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 88 (2016 - 97).

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2016 and 31 March 2017	1
Amortisation and impairment	
At 1 April 2016 and 31 March 2017	-
Carrying amount	
At 31 March 2017	1
At 31 March 2016	1

THE ANGLE RING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2016 and 31 March 2017	47,500
Depreciation and impairment	
At 1 April 2016	46,375
Depreciation charged in the year	281
At 31 March 2017	46,656
Carrying amount	
At 31 March 2017	844
At 31 March 2016	1,125

6 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	1,265,588	1,039,055
Other debtors	49,483	133,351
	<u>1,315,071</u>	<u>1,172,406</u>

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	847,801	711,846
Amounts due to group undertakings	705,000	136,149
Other taxation and social security	133,874	198,939
Other creditors	126,851	184,926
	<u>1,813,526</u>	<u>1,231,860</u>

8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>390,000</u>	<u>-</u>

THE ANGLE RING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

9 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
11,886 Ordinary Shares of £1 each	11,886	11,886
	<u>11,886</u>	<u>11,886</u>

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Peter Davies.

The auditor was CK Audit.

11 Related party transactions

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.

12 Parent company

The ultimate parent company is Angle Ring Holdings Limited, a company registered in England and Wales.

Angle Ring Holdings Limited prepares group financial statements and copies can be obtained from Bloomfield Road, Tipton, West Midlands, DY4 9EH.