

Group Strategic Report, Report of the Directors and  
Audited Consolidated Financial Statements for the Year Ended 31 December 2014  
for  
English Braids Limited

TUESDAY



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for the Year Ended 31 December 2014

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Company Information  
for the Year Ended 31 December 2014

**DIRECTORS:**

P Earp  
H R Earp

**SECRETARY:**

M Earp

**REGISTERED OFFICE:**

Spring Lane  
Malvern Link  
Malvern  
Worcestershire  
WR14 1AL

**REGISTERED NUMBER:**

00932500 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Graham Neale

**AUDITORS:**

KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

Group Strategic Report  
for the Year Ended 31 December 2014

The directors present their strategic report of the company and the group for the year ended 31 December 2014.

**PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS**

The principal activities of the group during the year continued to be the manufacture of ropes, cords and braids in a variety of sizes and constructions sold into UK and export markets.

2014 saw the group continue to achieve growth with its customer base in key markets and strengthen its asset base; it also increased its cash at bank.

The group is pleased with the profit achieved on ordinary activities for the year and the state of affairs at the balance sheet date.

In addition to the traditional focus on sales, profitability and cash the group uses KPI's as measures of its performance, particularly in the area of working capital management.

The director recognises that 2015 could be a challenging year, given the competitive nature of the markets in which the group operates. The group, however, with a strong asset base, continues to be well placed for the future whilst at the same time seeking investment vehicles to further grow the group profitability and cash reserves in the future.

The profit for the year is shown in the profit and loss account on page 6.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The group's global presence in a number of competitive market segments has enabled it to perform strongly during and post the recession. Whilst any global downturn might provide significant challenges to the group the director considers the group well placed, with its significant cash reserves, to continue to prosper and continue its growth strategy.

Existing customers relationships have been maintained and new customers won. The risk from exchange fluctuation is not considered material as the business' cost base is being carefully controlled to maintain profitability.

There are no other material exposures of the group relating to price risk, credit risk, liquidity risk and cash flow risk which are material for the assessment of the assets, liabilities, financial position and profit of the group.

**ON BEHALF OF THE BOARD:**



.....  
P Earp - Director

Date: 20th May 2015

Report of the Directors  
for the Year Ended 31 December 2014

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2014.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

P Earp  
H R Earp

Other changes in directors holding office are as follows:

R L Atkinson - resigned 17 January 2014

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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 group's auditors are 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 group's auditors are aware of that information.

Report of the Directors  
for the Year Ended 31 December 2014

**AUDITORS**

Pursuant to Section 487 of the Company Act 2006, the auditors, KPMG LLP, will be deemed to be reappointed and will therefore continue in office.

**ON BEHALF OF THE BOARD:**



.....  
P Earp - Director

Date: 20th MAY 2015

Report of the Independent Auditors to the Members of  
English Braids Limited

We have audited the financial statements of English Braids Limited for the year ended 31 December 2014 on pages six to twenty two. 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 a Report of the Auditors 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 set out on page three, 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 (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Group Strategic Report and the Report of the Directors 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Graham Neale (Senior Statutory Auditor)  
for and on behalf of KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

Date: 20 MAY 2015

Consolidated Profit and Loss Account  
for the Year Ended 31 December 2014

	Notes	2014 £	2013 £
<b>TURNOVER</b>			
Group and share of joint ventures		12,362,163	10,898,855
Less:			
Share of joint ventures' turnover		(1,498,585)	(1,263,717)
<b>GROUP TURNOVER</b>	2	10,863,578	9,635,138
Cost of sales		(6,158,410)	(5,485,421)
<b>GROSS PROFIT</b>		4,705,168	4,149,717
Distribution costs		(526,791)	(363,701)
Administrative expenses		(2,684,385)	(2,624,967)
<b>GROUP OPERATING PROFIT</b>	5	1,493,992	1,161,049
Share of operating profit in Joint ventures		452,419	268,351
Profit on sale of fixed assets Group		164,477	5,007
		2,110,888	1,434,407
Other interest receivable and similar income			
Group	6	47,625	42,570
Joint ventures		248	27
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		2,158,761	1,477,004
Tax on profit on ordinary activities	7	(497,199)	(379,087)
<b>PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		1,661,562	1,097,917

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the profits for the current year or previous year.



**Consolidated Balance Sheet**  
**31 December 2014**

		2014		2013	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9		5,030,184		5,063,462
Investments	10				
Interest in joint venture					
Share of gross assets			2,062,537		1,552,154
Share of gross liabilities			(260,951)		(106,025)
			<u>6,831,770</u>		<u>6,509,591</u>
<b>CURRENT ASSETS</b>					
Stocks	11	2,693,137		2,836,842	
Debtors	12	1,596,908		1,497,014	
Cash at bank		13,034,449		10,838,006	
		<u>17,324,494</u>		<u>15,171,862</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	5,611,232		4,858,728	
<b>NET CURRENT ASSETS</b>			<u>11,713,262</u>		<u>10,313,134</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>18,545,032</u>		<u>16,822,725</u>
<b>PROVISIONS FOR LIABILITIES</b>	14		117,413		56,668
<b>NET ASSETS</b>			<u><u>18,427,619</u></u>		<u><u>16,766,057</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		120,000		120,000
Profit and loss account	16		18,307,619		16,646,057
<b>SHAREHOLDERS' FUNDS</b>	21		<u><u>18,427,619</u></u>		<u><u>16,766,057</u></u>

The financial statements were approved by the Board of Directors on 20th May 2015 and were signed on its behalf by:

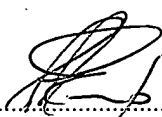


P Earp - Director

**Company Balance Sheet**  
**31 December 2014**

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	9	4,607,575	4,570,860
Investments	10	2	2
		<u>4,607,577</u>	<u>4,570,862</u>
<b>CURRENT ASSETS</b>			
Stocks	11	752,538	837,363
Debtors	12	601,853	658,612
Cash at bank		12,698,795	10,736,347
		<u>14,053,186</u>	<u>12,232,322</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	5,317,942	4,406,283
<b>NET CURRENT ASSETS</b>		<u>8,735,244</u>	<u>7,826,039</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,342,821</u>	<u>12,396,901</u>
<b>PROVISIONS FOR LIABILITIES</b>	14	87,599	27,144
<b>NET ASSETS</b>		<u><u>13,255,222</u></u>	<u><u>12,369,757</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	120,000	120,000
Profit and loss account	16	13,135,222	12,249,757
<b>SHAREHOLDERS' FUNDS</b>	21	<u><u>13,255,222</u></u>	<u><u>12,369,757</u></u>

The financial statements were approved by the Board of Directors on 20 May 2015 and were signed on its behalf by:

  
 P Earp - Director

**Consolidated Cash Flow Statement  
for the Year Ended 31 December 2014**

	Notes	2014 £	2013 £
<b>Net cash inflow from operating activities</b>	22	<b>2,854,717</b>	<b>1,443,453</b>
<b>Returns on investments and servicing of finance</b>	23	<b>47,625</b>	<b>42,570</b>
<b>Taxation</b>		<b>(463,401)</b>	<b>(272,745)</b>
<b>Capital expenditure</b>	23	<b>(242,498)</b>	<b>(143,031)</b>
<b>Increase in cash in the period</b>		<b><u>2,196,443</u></b>	<b><u>1,070,247</u></b>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	24		
Increase in cash in the period		<u>2,196,443</u>	<u>1,070,247</u>
Change in net funds resulting from cash flows		<u>2,196,443</u>	<u>1,070,247</u>
<b>Movement in net funds in the period</b>		<b>2,196,443</b>	<b>1,070,247</b>
<b>Net funds at 1 January</b>		<b>10,838,006</b>	<b>9,767,759</b>
<b>Net funds at 31 December</b>		<b><u>13,034,449</u></b>	<b><u>10,838,006</u></b>

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements  
for the Year Ended 31 December 2014**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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

**Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2014. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

An associate is an undertaking in which the Group has a long term interest, usually from 20% to 50% of the equity voting rights, and over which it exercises significant influence. A joint venture is an undertaking in which the Group has a long term interest and over which it exercises joint control. The Group's share of profits less losses of associates and joint ventures is included in the consolidated profit and loss account and its interest in their net assets is included in investments in the consolidated balance sheet.

Under S408 of the Companies Act 2006, the Company is exempt from the requirement to present its own Profit and Loss Account.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- 2% on cost
Long leasehold	- 2% on cost
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on cost
Aircraft	- 10% on cost
Computer equipment	- 25% on cost

The carrying amounts of the Group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**Taxation**

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

**Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

1. **ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

**Going concern**

The directors have prepared the financial statements of the Company and the Group on the going concern basis as the directors are satisfied that the company and the Group has sufficient funds to continue trading for the foreseeable future.

**Cash and liquid resources**

Cash, for the purpose of the cashflow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at or close to their carrying values or traded in an active market. Liquid resources comprise term deposits of less than one year, as it is the Company's policy to place any surplus on short term deposit.

2. **TURNOVER**

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by geographical market is given below:

	2014 £	2013 £
United Kingdom	6,693,584	6,138,453
Rest of World	4,169,994	3,496,685
	<u>10,863,578</u>	<u>9,635,138</u>

3. **STAFF COSTS**

	2014 £	2013 £
Wages and salaries	3,237,893	2,913,152
Social security costs	302,173	316,193
Other pension costs	56,844	38,020
	<u>3,596,910</u>	<u>3,267,365</u>

The average monthly number of employees during the year was as follows:

	2014	2013
Administration	42	38
Production	78	74
	<u>120</u>	<u>112</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

4. **DIRECTORS' EMOLUMENTS**

	2014	2013
	£	£
Directors' remuneration	965,849	996,741
Directors' pension contributions to money purchase schemes	55,699	41,789
	<u>          </u>	<u>          </u>

Information regarding the highest paid director is as follows:

	2014	2013
	£	£
Emoluments etc	570,437	520,000
	<u>          </u>	<u>          </u>

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	2014	2013
	£	£
Other operating leases	391,973	391,067
Depreciation - owned assets	440,253	426,925
Audit of these financial statements	12,800	25,620
Audit of subsidiary company	14,000	-
Auditing of joint venture company	14,000	13,700
Taxation compliance services	7,300	7,800
	<u>          </u>	<u>          </u>

6. **OTHER INTEREST RECEIVABLE AND SIMILAR INCOME**

	2014	2013
	£	£
Deposit account interest	47,625	42,570
	<u>          </u>	<u>          </u>

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2014**

**7. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2014 £	2013 £
Current tax:		
UK corporation tax	339,442	329,351
Adjustments in respect of prior periods	(197)	(251)
Joint ventures corporation tax	97,209	61,974
Total current tax	<u>436,454</u>	<u>391,074</u>
Deferred tax:		
Original/Reversal of Timing Differences	60,540	(3,038)
Effect of rate changes	-	(8,956)
Adjustment in respect of previous years	205	7
Total deferred tax	<u>60,745</u>	<u>(11,987)</u>
Tax on profit on ordinary activities	<u><u>497,199</u></u>	<u><u>379,087</u></u>

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>2,158,761</u>	<u>1,477,004</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 22.286% (2013 - 24.527%)	481,101	362,265
Effects of:		
Depreciation for the year in excess of/(less than) capital allowances	(65,325)	(33,621)
Depreciation on ineligible assets	18,136	56,520
Expenses not deductible for tax purposes	2,746	5,953
Tax rate lower than standard percentage rates on tax profits	-	(38)
Adjustment to tax charge in respect of previous periods	(197)	(251)
(Increase)/decrease in other timing differences	(7)	246
Current tax charge	<u><u>436,454</u></u>	<u><u>391,074</u></u>

**Factors that may affect future tax charges**

Reductions in the UK corporation tax rate from 21% to 20% (effective 1st April 2015) and to 23% (effective 1st April 2013) were substantively enacted on 2nd July 2013. This will reduce the company's future current tax charge accordingly.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

8. **PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £885,465 (2013 - £567,073).

9. **TANGIBLE FIXED ASSETS**

**Group**

	<b>Freehold property £</b>	<b>Long leasehold £</b>	<b>Aircraft £</b>	<b>Plant and machinery £</b>
<b>COST</b>				
At 1 January 2014	3,525,088	1,148,613	185,688	5,678,160
Additions	-	-	-	302,567
Disposals	-	-	-	(191,843)
At 31 December 2014	3,525,088	1,148,613	185,688	5,788,884
<b>DEPRECIATION</b>				
At 1 January 2014	340,987	548,050	164,237	4,736,057
Charge for year	60,153	22,975	18,492	208,391
Eliminated on disposal	-	-	-	(191,843)
At 31 December 2014	401,140	571,025	182,729	4,752,605
<b>NET BOOK VALUE</b>				
At 31 December 2014	3,123,948	577,588	2,959	1,036,279
At 31 December 2013	3,184,101	600,563	21,451	942,103
	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1 January 2014	215,627	396,105	396,519	11,545,800
Additions	14,322	108,178	21,459	446,526
Disposals	-	(113,470)	(1,919)	(307,232)
At 31 December 2014	229,949	390,813	416,059	11,685,094
<b>DEPRECIATION</b>				
At 1 January 2014	185,314	161,642	346,051	6,482,338
Charge for year	8,135	92,713	29,394	440,253
Eliminated on disposal	-	(75,748)	(90)	(267,681)
At 31 December 2014	193,449	178,607	375,355	6,654,910
<b>NET BOOK VALUE</b>				
At 31 December 2014	36,500	212,206	40,704	5,030,184
At 31 December 2013	30,313	234,463	50,468	5,063,462



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

9. TANGIBLE FIXED ASSETS - continued

Company	Freehold property £	Long leasehold £	Aircraft £	Plant and machinery £
<b>COST</b>				
At 1 January 2014	3,525,086	1,148,613	185,688	4,701,644
Additions	-	-	-	289,320
Disposals	-	-	-	(191,843)
At 31 December 2014	3,525,086	1,148,613	185,688	4,799,121
<b>DEPRECIATION</b>				
At 1 January 2014	340,987	548,050	164,237	4,217,259
Charge for year	60,153	22,975	18,492	111,981
Eliminated on disposal	-	-	-	(191,843)
At 31 December 2014	401,140	571,025	182,729	4,137,397
<b>NET BOOK VALUE</b>				
At 31 December 2014	3,123,946	577,588	2,959	661,724
At 31 December 2013	3,184,099	600,563	21,451	484,385
	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1 January 2014	172,626	396,106	274,940	10,404,703
Additions	165	108,178	9,044	406,707
Disposals	-	(113,470)	(1,825)	(307,138)
At 31 December 2014	172,791	390,814	282,159	10,504,272
<b>DEPRECIATION</b>				
At 1 January 2014	168,057	161,642	233,611	5,833,843
Charge for year	761	92,713	23,446	330,521
Eliminated on disposal	-	(75,748)	(76)	(267,667)
At 31 December 2014	168,818	178,607	256,981	5,896,697
<b>NET BOOK VALUE</b>				
At 31 December 2014	3,973	212,207	25,178	4,607,575
At 31 December 2013	4,569	234,464	41,329	4,570,860

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2014**

**10. FIXED ASSET INVESTMENTS**

**Group**

	<b>Interest in joint venture £</b>
<b>COST</b>	
At 1 January 2014	1,446,129
Share of profit/(loss)	355,457
	<hr/>
At 31 December 2014	1,801,586
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2014	1,801,586
	<hr/>
At 31 December 2013	1,446,129
	<hr/>

**Interest in joint venture**

Ibex Marina Ropes Limited

The group's share of Ibex Marina Ropes Limited is as follows:

	<b>2014 £</b>	<b>2013 £</b>
Turnover	1,498,585	1,263,717
	<hr/>	<hr/>
Profit before tax	452,666	268,378
Taxation	(97,209)	(61,974)
Profit after tax	355,457	206,404
	<hr/>	<hr/>
Share of assets		
Fixed assets	12,888	8,019
Current assets	2,049,649	1,544,135
Share of liabilities		
Liabilities due within one year	(260,951)	(106,025)
Liabilities due after one year or more	-	-
	<hr/>	<hr/>
Share of net assets	1,801,586	1,446,129
	<hr/>	<hr/>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

10. **FIXED ASSET INVESTMENTS - continued**

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2014	
and 31 December 2014	2
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2014	2
	<hr/>
At 31 December 2013	2
	<hr/>

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

**Subsidiaries**

**Marlow Ropes Limited**

Nature of business: Manufacture of ropes and braids

	%
Class of shares:	holding
Ordinary	100.00

**Ibex Ropes Limited**

Nature of business: Dormant company

	%
Class of shares:	holding
Ordinary	100.00

**JH Blakey**

Nature of business: Dormant company

	%
Class of shares:	holding
Ordinary	100.00

**Marlow Ropes Inc**

Country of incorporation: USA

Nature of business: Sale of braided cord and rope

	%
Class of shares:	holding
Common	100.00

**Joint ventures**

**Ibex Marina Ropes Limited**

Nature of business: Manufacture of ropes and braids

	%
Class of shares:	holding
Ordinary	50.00

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2014**

**10. FIXED ASSET INVESTMENTS - continued**

**Weblash Limited**

Nature of business: Dormant company

Class of shares:	%
Ordinary	holding 50.00

**11. STOCKS**

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Raw materials	801,810	988,037	289,818	383,567
Work-in-progress	567,854	452,088	31,069	27,046
Finished goods	1,323,473	1,396,717	431,651	426,750
	<u>2,693,137</u>	<u>2,836,842</u>	<u>752,538</u>	<u>837,363</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	1,351,635	1,313,573	474,295	573,299
Amounts owed by participating interests	42,397	44,483	-	-
Prepayments and accrued income	202,876	138,958	127,558	85,313
	<u>1,596,908</u>	<u>1,497,014</u>	<u>601,853</u>	<u>658,612</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	494,682	418,068	251,429	168,707
Amounts owed to group undertakings	-	-	377,361	73,382
Amounts owed to joint ventures	3,281,253	2,370,861	3,281,253	2,370,861
Tax	177,625	301,781	98,004	269,521
Social security and other taxes	248,880	474,039	96,839	372,258
Other creditors	512,215	349,077	512,785	349,647
Accruals and deferred income	896,577	944,902	700,271	801,907
	<u>5,611,232</u>	<u>4,858,728</u>	<u>5,317,942</u>	<u>4,406,283</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

14. **PROVISIONS FOR LIABILITIES**

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred tax				
Accelerated capital allowances	117,923	57,153	87,599	27,146
Other timing differences	(510)	(485)	-	(2)
	<u>117,413</u>	<u>56,668</u>	<u>87,599</u>	<u>27,144</u>

**Group**

	<b>Deferred tax</b>
	<b>£</b>
Balance at 1 January 2014	56,668
Charge/(Credit) to P&L Account	60,745
Balance at 31 December 2014	<u>117,413</u>

**Company**

	<b>Deferred tax</b>
	<b>£</b>
Balance at 1 January 2014	27,144
Charge/(Credit) to P&L Account	60,455
Balance at 31 December 2014	<u>87,599</u>

15. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	<b>2014</b>	<b>2013</b>
			<b>£</b>	<b>£</b>
120,000	Ordinary	£1	<u>120,000</u>	<u>120,000</u>

16. **RESERVES**

**Group**

	<b>Profit and loss account</b>
	<b>£</b>
At 1 January 2014	16,646,057
Profit for the year	1,661,562
At 31 December 2014	<u>18,307,619</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

16. **RESERVES - continued**

**Company**

	<b>Profit and loss account £</b>
At 1 January 2014	12,249,757
Profit for the year	885,465
	<hr/>
At 31 December 2014	<u>13,135,222</u>

17. **PENSION COMMITMENTS**

The pension cost charge represents contributions payable by the Group to the scheme and amounted to £56,845 (2013: £38,020). At the end of the financial year there were outstanding contributions of £4,885 (2013: £2,415).

18. **CONTINGENT LIABILITIES**

The Company is party to a Group registration for VAT. At the year end, the maximum liability under this arrangement was £272,290 (2013: £222,719).

19. **RELATED PARTY DISCLOSURES**

English Braids Limited supplied goods and services amounting to £113,195 (2013: £101,039) to Ibex Marina Ropes Limited and purchases amounted to £141,868 (2013: £136,008). Ibex Marina Ropes Limited is jointly owned by English Braids Limited and P Earp, the ultimate controlling party. All transactions were made in the normal course of business. The balance owed to Ibex Marina Ropes Limited as at 31 December 2014 was £3,281,253 (2013: £2,370,861).

English Braids Limited charged Ibex Marina Ropes Limited £27,000 (2013: £27,000) for the use of plant and machinery and £445,000 (2013: £445,000) for management provided by English Braids Limited.

EBL Pension Fund charged Ibex Marina Ropes Limited £57,750 (2013: £57,750) for rental of the business property, settled through the current account with English Braids Limited. P Earp is a beneficiary of the EBL Pension Fund.

English Braids Limited paid VAT liabilities of £266,939 (2013: £238,204) on behalf of Ibex Marina Ropes Limited, which was settled through the current account.

Marlow Ropes Limited, a fellow subsidiary of English Braids Limited, supplied goods and services amounting to £37,278 (2013: £31,279) to Ibex Marina Ropes Limited and purchases amounted to £144,318 (2013: £148,682). All transactions were made in the normal course of business. The balance owed by Ibex Marina Ropes Limited as at 31 December 2014 was £42,396 (2013: £44,555).

English Braids Limited paid £5,000 (2013: £4,500) for business travel in an aircraft owned by P Earp, a director of English Braids Limited.

The balance owed to P Earp by English Braids Limited at 31 December 2014 was £512,785 (2013: £908,720)

20. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is P Earp, who is a director and owns 100% of the share capital of the company.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

21. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Group**

	2014 £	2013 £
Profit for the financial year	1,661,562	1,097,917
<b>Net addition to shareholders' funds</b>	<b>1,661,562</b>	<b>1,097,917</b>
Opening shareholders' funds	16,766,057	15,668,140
<b>Closing shareholders' funds</b>	<b>18,427,619</b>	<b>16,766,057</b>

**Company**

	2014 £	2013 £
Profit for the financial year	885,465	567,073
<b>Net addition to shareholders' funds</b>	<b>885,465</b>	<b>567,073</b>
Opening shareholders' funds	12,369,757	11,802,684
<b>Closing shareholders' funds</b>	<b>13,255,222</b>	<b>12,369,757</b>

22. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2014 £	2013 £
Operating profit	1,493,992	1,161,049
Depreciation charges	440,253	426,926
Decrease in stocks	143,705	92,199
Increase in debtors	(101,980)	(253,234)
Increase in creditors	878,747	16,513
<b>Net cash inflow from operating activities</b>	<b>2,854,717</b>	<b>1,443,453</b>

23. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2014 £	2013 £
<b>Returns on investments and servicing of finance</b>		
Interest received	47,625	42,570
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>47,625</b>	<b>42,570</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(446,526)	(181,541)
Sale of tangible fixed assets	204,028	38,510
<b>Net cash outflow for capital expenditure</b>	<b>(242,498)</b>	<b>(143,031)</b>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2014

24. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.14 £	Cash flow £	At 31.12.14 £
Net cash:			
Cash at bank	10,838,006	2,196,443	13,034,449
	<u>10,838,006</u>	<u>2,196,443</u>	<u>13,034,449</u>
 Total	 <u>10,838,006</u>	 <u>2,196,443</u>	 <u>13,034,449</u>