

Company Registration No. 00995387 (England and Wales)

Presspart Manufacturing Limited

**Annual report and financial statements
for the year ended 31 December 2014**

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Presspart Manufacturing Limited

Company information

Directors	D J Biggs J Hemy G Clark D Schmitz H Neugebauer P Schmelzer
Secretary	D Schmitz
Company number	00995387
Registered office	Whitebirk Industrial Estate Blackburn BB1 5RF
Independent auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Bankers	HSBC Bank plc 60 Church Street Blackburn BB1 5AS

Presspart Manufacturing Limited

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Presspart Manufacturing Limited

Strategic report

For the year ended 31 December 2014

The directors present their strategic report for the year ended 31 December 2014.

Review of the business

Presspart Manufacturing Limited is a wholly owned subsidiary of the Heitkamp & Thumann Group, a leading global partner for the supply of world class precision formed components in both metal and plastic. Founded in 1978, the group today comprises of more than twenty medium-sized companies located in ten different countries, creating a worldwide family business.

The Heitkamp & Thumann Group brings together over twenty companies under one group that operate within three divisions, along with the Corporate Enterprises; Presspart Manufacturing Limited operates within the Presspart Division.

With 44 years of experience and a worldwide reputation for competence, quality and innovation, the activity of Presspart Manufacturing Limited in the United Kingdom is to manufacture high precision deep drawn metal parts for the Pharmaceutical industry and other industrial sectors. Presspart's ability to offer a unique service in tool making, design and development skills has been the foundation for more than four decades of successful growth.

In 2013 the Heitkamp & Thumann Group started a group-wide 'Lean Offensive' which Presspart Manufacturing Limited supports. With continual underpinning of lean management, we define ourselves as a company that embraces the continuous improvement process (CIP). Our employees support and strengthen this sustainable process and by using operational excellence in all value adding processes we want to achieve the vision of operational perfection.

As shown in the company's profit and loss account on page 9, total company sales have increased by 5%, this is mainly due to significant growth in its sub-micron plasma process for coating and treating the internal surfaces of pMDI canisters which was launched new to the market in 2012.

Total gross operating margin has increased by 3% year on year. Due to growth and mix of sales along with continual focus on lean management and H&T operational excellence initiatives.

The company's average Working Capital KPI was 13.4% in 2014, an improvement of 1.1% from 2013 and 0.8% better than 2014 target.

Trade debtors of Presspart Manufacturing Limited at 31 December 2014 were equivalent to 55 days (2013 - 35 days). The increase is mainly due to late customer payments which were received early in January 2015.

Inventory days of Presspart Manufacturing Limited at 31 December 2014 were 27 days (2013 - 28 days).

The cash balance of Presspart Manufacturing Limited at the year end was (£0.060m - negative) as a result of the late customer payments, (2013 - £0.314m positive), decrease of £0.374m. Full details of movement between the opening and closing cash balances can be found on page 13.

Presspart Manufacturing Limited

Strategic report (continued)

For the year ended 31 December 2014

Dividends

A dividend of £1m was paid for the year ended 31 December 2014 to our Parent Company, (2013 - £0.5m).

Future prospects

Presspart Manufacturing Limited remains dedicated to its core business in the Pharmaceutical and Industrial sector. In 2015 it will continue making significant progress with its Pharmaceutical and Industrial strategies.

In 2015 Presspart Manufacturing Limited will commence a major building project which will incorporate a state of the art Inhalation Production Technology Centre and Quality Laboratory. The existing office building will be fully replaced, allowing for future expansion of the business by increasing production space which will give opportunity to optimize production flow in accordance with our 2020 plan.

Innovation is the driving force behind progress and sustainable growth and as the world's leading manufacturer of components for metered dose inhalers, including MDI canisters and plastic metered dose inhaler actuators across the Presspart Division the new Inhalation Product Technology Centre (IPTC) based in Blackburn, which is an industry first will help support the strategic projects of Presspart and most importantly its customers.

Risks and uncertainties

Competitive global pressure, UK inflation rates and a strong pound sterling to euro exchange rate are a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages this risk by providing high quality products to its customers, having fast response times in supplying products, underpinned by long to medium term contracts with customers.

The fluctuations in raw material market prices and scrap prices are a continuing high ranking risk to the business. Continued global trends such as volatile euro to sterling rates intensify this risk as the majority of raw material purchases come from continental European suppliers. The company continues to try to minimise this risk by entering into long term supplier contracts with partial price hedging.

Presspart Manufacturing Limited

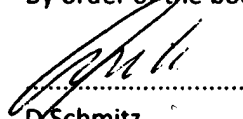
Strategic report (continued)

For the year ended 31 December 2014

Credit risk

Presspart Manufacturing Limited has a credit control policy where appropriate credit checks are made on potential customers and suppliers before any transactions occur. For existing customers, the company closely monitors their continued creditability via an external rating agency. A monthly reporting structure is established to make directors aware of any changes to credit risks.

By order of the board



D Schmitz

Secretary

16 March 2015

Presspart Manufacturing Limited

Directors' report

For the year ended 31 December 2014

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

Principal activities and review of the business

Activities

Presspart Manufacturing Limited is a wholly owned subsidiary of the Heitkamp & Thumann Group, a family company founded more than 35 years ago, with a mission to be leading global partners for the supply of world class precision formed components in both metal and plastic.

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on pages 1 to 3. These matters relate to dividends declared during the year and future developments of the business.

Health, safety and environment

Presspart Manufacturing Limited is engaged in the manufacture of deep drawn metal pressings for a range of different industries. We recognise our responsibility in supplying products to our customers whilst striving to provide quality excellence, and endeavouring to minimise the impact on the environment. In pursuit of environmental excellence, we operate an Environmental Management System in compliance with the ISO 14001:2004 standard. Through this system we establish and review objectives, targets and improvement programmes in line with our significant environmental aspects.

Significant investment continues to be made in Health, Safety and Environmental projects, where particular attention has been given to developing strategies for sustainability and in particular improving energy efficiency.

Future objectives include implementation of the OHSAS 18001 standard for Occupational Health and Safety Management.

Presspart Manufacturing Limited

Directors' report (continued)

For the year ended 31 December 2014

Employment policies

Details of employees and related costs can be found in note 23 to the financial statements on page 29.

The workforce is one of the major success factors of the company which is why Presspart launched a Health Management System for its employees and in 2014 introduced the Cycle to Work Scheme. Employees are also developed through a variety of training courses that supports the continuous optimisation of internal know-how within Presspart.

Presspart Manufacturing Limited is committed to ensuring equal opportunities for all current and potential members of the company. It is committed to the promotion of standards of personal conduct based on respect for and the dignity of individuals. It is the company's policy to provide a working environment free from discrimination. All employees of Presspart are expected to support and contribute to the maintenance of this policy.

Employment of disabled people

The company gives full and fair consideration to the application for employment made by disabled people, having regard to their particular aptitude and abilities. Should employees become disabled, consideration would be given to appropriate training, including retraining for alternative work within the company.

Directors

The 2014 membership of the board is shown below, all directors served throughout the year.

D J Biggs
J Hemy
G Clark
D Schmitz
H Neugebauer
P Schmelzer

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

Statement of directors' responsibilities

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

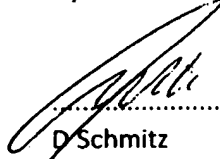
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board


.....
D Schmitz
Secretary
16 March 2015

Presspart Manufacturing Limited

Independent auditors' report

To the members of Presspart Manufacturing Limited

We have audited the financial statements of Presspart Manufacturing Limited for the year ended 31 December 2014 set out on pages 9 to 33. 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 pages 4 - 6, 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 Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 December 2014 and of its 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Presspart Manufacturing Limited

Independent auditors' report (continued)

To the members of Presspart Manufacturing Limited

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.



Lorenzo Mosca (Senior Statutory Auditor)
for and on behalf of Saffery Champness

16 March 2015
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Chartered Accountants
Statutory Auditors

Lion House
Red Lion Street
London
WC1R 4GB

Presspart Manufacturing Limited

Profit and loss account

For the year ended 31 December 2014

		2014	2013
	Notes	£000	£000
Turnover	2	26,451	25,192
Cost of sales		<u>(18,591)</u>	<u>(18,478)</u>
Gross profit		7,860	6,714
Distribution costs		(2,393)	(1,915)
Administrative expenses		<u>(1,950)</u>	<u>(1,986)</u>
Operating profit	3	3,517	2,813
Other interest receivable and similar income	4	2	1
Interest payable and similar charges	5	<u>(123)</u>	<u>(254)</u>
Profit on ordinary activities before taxation		3,396	2,560
Tax on profit on ordinary activities	6	<u>(751)</u>	<u>(440)</u>
Profit for the year	17	<u><u>2,645</u></u>	<u><u>2,120</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 14 to 33 form part of these financial statements.

Presspart Manufacturing Limited

**Statement of total recognised gains and losses
For the year ended 31 December 2014**

		2014	2013
	Notes	£000	£000
Profit for the financial year		2,645	2,120
Actuarial (loss)/gain on pension scheme		(2,309)	453
Movement on deferred tax relating to pension asset		403	(304)
		<hr/>	<hr/>
Total recognised gains and losses relating to the year		739	2,269
		<hr/>	<hr/>

Presspart Manufacturing Limited

Balance sheet

As at 31 December 2014

		2014		2013	
	Notes	£000	£000	£000	£000
Fixed assets					
Intangible assets	8		470		504
Tangible assets	9		9,347		7,775
			9,817		8,279
Current assets					
Stocks	10	1,878		1,879	
Debtors	11	4,525		2,916	
Cash at bank and in hand		43		314	
			6,446		5,109
Creditors: amounts falling due within one year	12	(4,542)		(4,051)	
Net current assets			1,904		1,058
Total assets less current liabilities			11,721		9,337
Creditors: amounts falling due after more than one year	13		(1,053)		-
Provisions for liabilities	14		(522)		(542)
			10,146		8,795
Retirement benefit obligations	15		(5,734)		(4,122)
			4,412		4,673
Capital and reserves					
Called up share capital	16		25		25
Profit and loss account	17		4,387		4,648
Shareholders' funds	18		4,412		4,673

The notes on pages 14 to 33 form part of these financial statements.

Presspart Manufacturing Limited

Balance sheet (continued)

As at 31 December 2014

Approved by the Board and authorised for issue on 16 March 2015


.....
M Neugebauer
Director


.....
D Schmitz
Director

Company Registration No. 00995387

Presspart Manufacturing Limited

Cash flow statement

For the year ended 31 December 2014

	Notes	£000	2014 £000	£000	2013 £000
Net cash inflow from operating activities	25		3,534		4,518
Returns on investments and servicing of finance					
Interest received		2		1	
Interest paid		(47)		(73)	
Net cash outflow for returns on investments and servicing of finance			(45)		(72)
Taxation			(488)		(753)
Capital expenditure					
Payments to acquire intangible assets		(53)		(255)	
Payments to acquire tangible assets		(2,924)		(1,712)	
Receipts from sales of tangible assets		14		14	
Net cash outflow for capital expenditure			(2,963)		(1,953)
Equity dividends paid			(1,000)		(500)
Net cash outflow before management of liquid resources and financing			(962)		1,240
Financing					
New long term bank loan		1,053		-	
Other new short term loans		150		-	
Loan from group company		999		1,614	
Repayment of loan to group company		(1,614)		(3,050)	
Capital element of finance lease contracts		-		(2)	
Net cash inflow/(outflow) from financing			588		(1,438)
Decrease in cash in the year	26, 27		(374)		(198)

**Notes to the financial statements
For the year ended 31 December 2014**

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

The transitional arrangements of FRS 15 have been adopted in the case of certain plant and machinery and properties which were revalued prior to the implementation of that standard. The plant and machinery was last revalued in 1988 and the properties were last revalued in 1991 and the valuations have not subsequently been updated.

Depreciation is not provided on freehold land. On other assets it is provided on cost in equal instalments over the estimated useful lives of the assets. Provision is made for any impairment. The rates of depreciation are as follows:

Land and buildings Freehold	10 - 40 years
Plant and machinery	3 - 20 years
Fixtures, fittings & equipment	3 - 10 years
Motor vehicles	4 years

1.5 Leasing

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Operating lease rentals are charged to the income statement in equal annual amounts over the lease term.

1.6 Stock

Stocks and work-in-progress, other than on long-term contracts, are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price, less all further costs to completion and all relevant marketing, selling and distribution costs.

Notes to the financial statements (continued)
For the year ended 31 December 2014

1 Accounting policies

(continued)

1.7 Revenue recognition

Revenue is recognised when goods have been delivered to the customer.

1.8 Pensions

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

For the defined benefit section the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other financial costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

The defined benefit section is funded, with the assets held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

1.9 Foreign currency translation

Transactions denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

Presspart Manufacturing Limited

Notes to the financial statements (continued) For the year ended 31 December 2014

1 Accounting policies

(continued)

1.10 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

1.11 Licenses

Licenses are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

1.12 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

2 Turnover

Geographical market

	Turnover	
	2014 £000	2013 £000
United Kingdom	2,799	3,000
Rest of Europe	14,662	14,959
The Americas	2,597	2,505
Other	6,393	4,728
	<u>26,451</u>	<u>25,192</u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2014

3	Operating profit	2014	2013
		£000	£000
	Operating profit is stated after charging:		
	Amortisation of intangible assets	87	39
	Depreciation of tangible assets	1,229	1,188
	Loss on disposal of tangible assets	109	56
	Loss on foreign exchange transactions	25	40
	Operating lease rentals		
	- Plant and machinery	39	24
	- Other assets	41	39
		<u> </u>	<u> </u>
	Auditors' remuneration		
	Fees payable to the company's auditor for the audit of the company's annual accounts	18	18
	Fees payable to the company's auditor for corporation tax compliance services	4	4
	Fees payable to the company's auditor in respect of the audit of the Presspart Retirement Benefits Scheme	4	4
	Fees payable to the company's auditor for advisory services	11	15
		<u> </u>	<u> </u>
		37	41
		<u> </u>	<u> </u>
4	Investment income	2014	2013
		£000	£000
	Bank interest	-	1
	Interest received from loans made to group undertakings	2	-
		<u> </u>	<u> </u>
		2	1
		<u> </u>	<u> </u>
5	Interest payable	2014	2013
		£000	£000
	On amounts payable to group companies	41	73
	On other loans wholly repayable within five years	6	-
	Finance charges in respect of defined benefit scheme	76	181
		<u> </u>	<u> </u>
		123	254
		<u> </u>	<u> </u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2014

6	Taxation	2014	2013
		£000	£000
	Domestic current year tax		
	U.K. corporation tax	719	643
	Adjustment for prior years	51	(199)
	Total current tax	770	444
	Deferred tax		
	Deferred tax credit current year	8	(53)
	Deferred tax adjustment for prior years	(27)	49
		(19)	(4)
		751	440
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	3,396	2,560
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2013 - 23.00%)	713	589
	Effects of:		
	Non deductible expenses	(2)	(13)
	Depreciation in excess of capital allowances	(9)	60
	Short term timing differences	1	-
	Differences in tax rates	16	7
	Adjustments in respect of prior years	51	(199)
		57	(145)
	Current tax charge for the year	770	444
7	Dividends	2014	2013
		£000	£000
	Ordinary interim paid	1,000	500

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2014

8 Intangible fixed assets

	Licenses
	£000
Cost	
At 1 January 2014	570
Additions	53
	<hr/>
At 31 December 2014	623
	<hr/>
Amortisation	
At 1 January 2014	66
Charge for the year	87
	<hr/>
At 31 December 2014	153
	<hr/>
Net book value	
At 31 December 2014	470
	<hr/>
At 31 December 2013	504
	<hr/>

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2014

9 Tangible fixed assets

	Land and buildings Freehold	Assets under construction	Plant and machinery	Fixtures, fittings & equipment	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2014	2,560	705	14,515	4,406	22,186
Transfer from Assets under construction	-	(46)	46	-	-
Additions	147	2,266	323	188	2,924
Disposals	(115)	-	(230)	(188)	(533)
At 31 December 2014	2,592	2,925	14,654	4,406	24,577
Depreciation					
At 1 January 2014	1,042	-	10,170	3,199	14,411
On disposals	(64)	-	(199)	(147)	(410)
Charge for the year	107	-	792	330	1,229
At 31 December 2014	1,085	-	10,763	3,382	15,230
Net book value					
At 31 December 2014	1,507	2,925	3,891	1,024	9,347
At 31 December 2013	1,518	705	4,345	1,207	7,775

Comparable historical cost for the land and buildings included at valuation:

	£000
Cost	
At 1 January 2014 & at 31 December 2014	3,698
Depreciation based on cost	
At 1 January 2014	2,945
Charge for the year	25
At 31 December 2014	2,970
Net book value	
At 31 December 2014	728
At 31 December 2013	753

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2014

9 Tangible fixed assets **(continued)**

Freehold land amounting to £400,000 (2013 - £400,000) has not been depreciated.

10 Stocks	2014	2013
	£000	£000
Raw materials and consumables	922	936
Finished goods and goods for resale	956	943
	<u>1,878</u>	<u>1,879</u>

11 Debtors	2014	2013
	£000	£000
Trade debtors	3,846	2,359
Amounts owed by parent and fellow subsidiary undertakings	31	-
Other debtors	344	272
Prepayments and accrued income	304	285
	<u>4,525</u>	<u>2,916</u>

12 Creditors: amounts falling due within one year	2014	2013
	£000	£000
Bank loans and overdrafts	253	-
Trade creditors	1,488	999
Amounts owed to parent and fellow subsidiary undertakings	999	1,614
Corporation tax	414	131
Other taxes and social security costs	145	126
Accruals and deferred income	1,243	1,181
	<u>4,542</u>	<u>4,051</u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2014

13 Creditors: amounts falling due after more than one year	2014 £000	2013 £000
Bank loans	<u>1,053</u>	<u>-</u>
Analysis of loans		
Wholly repayable within five years	<u>1,203</u>	<u>-</u>
	1,203	-
Included in current liabilities	<u>(150)</u>	<u>-</u>
	<u>1,053</u>	<u>-</u>
Loan maturity analysis		
In more than one year but not more than two years	301	-
In more than two years but not more than five years	<u>752</u>	<u>-</u>

The above loan is secured by way of a cross guarantee from Heitkamp and Thumann KG.

14 Provisions for liabilities

	Deferred tax liability £000
Balance at 1 January 2014	542
Profit and loss account	<u>(20)</u>
Balance at 31 December 2014	<u>522</u>

The deferred tax liability is made up as follows:

	2014 £000	2013 £000
Accelerated capital allowances	534	553
Other timing differences	<u>(12)</u>	<u>(11)</u>
	<u>522</u>	<u>542</u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2014

15 Pension and other post-retirement benefit commitments

	2014	2013
	£000	£000
Contributions payable by the company for the year in respect of the defined benefit scheme	439	426
Contributions payable by the company for the year in respect of the defined contribution scheme	350	376
	<u> </u>	<u> </u>

Defined benefit

The company operates a funded defined benefit scheme arrangement. The assets are held independently of the company in trustee administered funds. The defined benefit section was frozen on 1 October 2001 and subsequent contributions were made to a defined contribution scheme, the assets of which are held independently of the company in trustee administered funds.

A full actuarial valuation was last undertaken by qualified independent actuaries on 6 April 2011, using a market based approach. That valuation has been updated to 31 December 2014 by the independent actuaries.

The value of the assets of the scheme was £15,143,000 (2013 - £14,552,000) and this was sufficient to cover 68% (2013 - 74%) of the benefits which had accrued to members.

	2014	2013
	%	%
The major assumptions used by the actuary were:		
Revaluation rate for deferred pensioners of CPI subject to a maximum of 5% p.a.	1.10	2.00
Pension in payment increases of RPI subject to a maximum of 5% p.a.	2.60	3.30
Discount rate	3.90	5.00
Average long term expected rate of return on assets	6.20	5.60
Inflation assumption	2.60	3.30
	<u> </u>	<u> </u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2014

15 Pension and other post-retirement benefit commitments **(continued)**

	2014	2013
	£000	£000
The assets in the scheme are as follows:		
Equities	7,723	8,003
Bonds	6,057	2,183
Cash	151	146
Other assets	1,212	4,220
	<u>15,143</u>	<u>14,552</u>
Total fair value of assets	15,143	14,552
Present value of scheme liabilities	(22,310)	(19,704)
	<u>(7,167)</u>	<u>(5,152)</u>
Deficit in scheme	(7,167)	(5,152)
Related deferred tax asset	1,433	1,030
	<u>(5,734)</u>	<u>(4,122)</u>
Net pension liability	<u>(5,734)</u>	<u>(4,122)</u>
	2014	2013
	£000	£000
Analysis of the amount charged to operating profit		
Current service cost	(69)	(52)
	<u>(69)</u>	<u>(52)</u>
Total operating charge	<u>(69)</u>	<u>(52)</u>
Analysis of the amount credited to other finance income		
Expected return on pension scheme assets	890	752
Interest on pension scheme liabilities	(966)	(933)
	<u>(76)</u>	<u>(181)</u>
Net return	<u>(76)</u>	<u>(181)</u>

Notes to the financial statements (continued)
For the year ended 31 December 2014

15 Pension and other post-retirement benefit commitments (continued)

	2014 £000	2013 £000
Analysis of amount recognised in the statement of total recognised gains and losses		
Actual return less expected return on pension scheme assets	106	485
Experience gains and losses arising on scheme liabilities	156	43
Changes in assumptions underlying the present value of the scheme liabilities	(2,571)	(75)
Actual gain / (loss) recognised in the statement of total recognised gains and losses	(2,309)	453
Movement in deficit during the year		
Deficit in scheme at 1 January 2014	(5,152)	(5,798)
Operating charge	(69)	(52)
Other finance income	(76)	(181)
Contributions made	439	426
Actuarial (losses)/gains	(2,309)	453
Deficit in scheme at 31 December 2014	(7,167)	(5,152)

The contributions made by the employer over the financial year have been £439,000, equivalent to £36,583 per calendar month. This level of contribution is expected to be £450,000 for the next year. There is no longer any accrual of benefits in the defined benefits section.

History of experience gains and losses

	2014 £000	2013 £000	2012 £000	2011 £000	2010 £000
Difference between the expected and actual return on scheme assets:					
Amount	106	485	(262)	(430)	422
Percentage of scheme assets	0.70%	3.33%	(1.93%)	(3.24%)	3.18%

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2014

15 Pension and other post-retirement benefit commitments

(continued)

	2014	2013	2012	2011	2010
	£000	£000	£000	£000	£000
Experience gains and losses on scheme liabilities					
Amount	156	43	13	(611)	(53)
Percentage of the present value of the scheme liabilities	0.70%	0.22%	0.07%	(3.35%)	(0.30%)
Total amount recognised in statement of recognised gains and losses					
Amount	(2,309)	453	(1,087)	(413)	(691)
Percentage of the present value of scheme liabilities	(10.35%)	2.30%	(5.62%)	(2.26%)	(3.86%)

16 Share capital

2014
£000

2013
£000

Allotted, called up and fully paid
25,000 ordinary shares of £1 each

25

25

17 Statement of movements on profit and loss account

**Profit and
loss
account
£000**

Balance at 1 January 2014	4,648
Profit for the year	2,645
Dividends paid	(1,000)
Actuarial gains or losses on pension scheme liability	(2,309)
Movement on deferred tax relating to pension liability	403
Balance at 31 December 2014	4,387

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2014

18 Reconciliation of movements in shareholders' funds	2014	2013
	£000	£000
Profit for the financial year	2,645	2,120
Dividends	(1,000)	(500)
	<hr/>	<hr/>
	1,645	1,620
Other recognised gains and losses	(2,309)	453
Movement on deferred tax relating to pension asset	403	(304)
	<hr/>	<hr/>
Net (depletion in)/addition to shareholders' funds	(261)	1,769
Opening shareholders' funds	4,673	2,904
	<hr/>	<hr/>
Closing shareholders' funds	4,412	4,673
	<hr/>	<hr/>

19 Contingent liabilities

A contingent liability exists in that the Trustees of the Presspart Manufacturing Retirement Benefit Scheme have the right to request a one-off payment into the scheme. The amount of any claim is not yet determined, however the directors estimate that a claim, if made, would not be more than £173,000.

20 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Other	
	2014	2013
	£000	£000
Operating leases which expire:		
Within one year	11	7
Within two to five years	51	59
	<hr/>	<hr/>
	62	66
	<hr/>	<hr/>

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2014

21 Capital commitments	2014	2013
	£000	£000

At 31 December 2014 the company had capital commitments as follows:

Authorised but not contracted for	<u>982</u>	<u>1,178</u>
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22 Directors' emoluments	2014	2013
	£000	£000

Emoluments for qualifying services	447	253
Company pension contributions to money purchase schemes	<u>28</u>	<u>27</u>
	<u>475</u>	<u>280</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2013 - 3).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	185	146
Company pension contributions to money purchase schemes	<u>-</u>	<u>15</u>

Presspart Manufacturing Limited

Notes to the financial statements (continued) For the year ended 31 December 2014

23 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Production	116	118
Sales and distribution	13	12
Administration	12	12
	<u>141</u>	<u>142</u>

Employment costs	2014 £000	2013 £000
Wages and salaries	4,579	4,429
Social security costs	394	404
Other pension costs	350	376
	<u>5,323</u>	<u>5,209</u>

24 Control

The ultimate parent company is Heitkamp and Thumann KG, a company based in Germany. This is also the ultimate controlling party of the company.

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2014

25 Reconciliation of operating profit to net cash outflow from operating activities	2014	2013
	£000	£000
Operating profit	3,517	2,813
Depreciation of tangible assets	1,229	1,188
Amortisation of intangible assets	87	39
Loss on disposal of tangible assets	109	56
Decrease in stocks	1	493
(Increase)/decrease in debtors	(1,609)	221
Decrease in creditors within one year	570	82
Pension scheme non-cash movement	(370)	(374)
Net cash outflow from operating activities	3,534	4,518

26 Analysis of net funds/(debt)	1 January 2014	Cash flow	Other non-cash changes	31 December 2014
	£000	£000	£000	£000
Net cash:				
Cash at bank and in hand	314	(271)	-	43
Bank overdrafts	-	(103)	-	(103)
	<u>314</u>	<u>(374)</u>	<u>-</u>	<u>(60)</u>
Debt:				
Debts falling due within one year	-	(150)	-	(150)
Debts falling due after one year	-	(1,053)	-	(1,053)
	<u>-</u>	<u>(1,203)</u>	<u>-</u>	<u>(1,203)</u>
Net funds/(debt)	314	(1,577)	-	(1,263)

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2014

27 Reconciliation of net cash flow to movement in net (debt)/funds	2014	2013
	£000	£000
Decrease in cash in the year	(374)	(198)
Cash (inflow)/outflow from (increase)/decrease in debt	(1,203)	2
	<hr/>	<hr/>
Movement in net (debt)/funds in the year	(1,577)	(196)
Opening net funds	314	510
	<hr/>	<hr/>
Closing net (debt)/funds	(1,263)	314
	<hr/>	<hr/>

28 Major non-cash transactions

There were no major non-cash transactions in the year.

Presspart Manufacturing Limited

Notes to the financial statements (continued) For the year ended 31 December 2014

29 Related party relationships and transactions

The company undertakes transactions with a number of companies in the Heitkamp and Thumann Group during the normal course of business.

During the year recharges of £461,723 (2013 - £452,353) were made by Heitkamp and Thumann GmbH and Co. KG to Presspart Manufacturing Limited. During the year, recharges were also made from Presspart Manufacturing Limited to Heitkamp and Thumann GmbH and Co. KG of £310,005 (2013 - £303,776). At the year end £31,273 (2013 - £nil) was due from Heitkamp and Thumann GmbH and Co. KG

In 2013 Heitkamp and Thumann Finance BV made a loan of £1,607,104 to Presspart Manufacturing Limited, which was repaid during the year. Interest of £36,351 (2013 - £66,805) was charged on this loan at 3.333%. During the year a loan of £995,160 was made by Heitkamp and Thumann Finance BV to Presspart Manufacturing Limited, which was outstanding at the year end. Interest of £4,152 (at 3.137%) was charged on this loan during the year and was outstanding at the year end. Recharges of £817 (2013 - £388) were made from Heitkamp and Thumann Finance BV of which £348 (2013 - £78) is outstanding at the year end.

During the year recharges of £1,378 (2013 - £nil) were made by H&T Marsberg GmbH & Co. KG to Presspart Manufacturing Limited.

During the year recharges of £14,072 (2013 - £8,422) were made by H&T Tool Design GmbH & Co. KG to Presspart Manufacturing Limited and Presspart Manufacturing Limited purchased £69,599 (2013 - £nil) of capital items from the company. £nil (2013 - £153) was outstanding at the year end. Presspart Manufacturing Limited recharged £173 (2013 - £nil) to H&T Tool Design GmbH & Co. KG during the year.

During the year Presspart Manufacturing Limited made recharges of £795,637 (2013 - £562,606) to Presspart GmbH & Co. KG, and recharges of £503,746 (2013 - £371,571) were made by Presspart GmbH & Co. KG to Presspart Manufacturing Limited. Presspart Manufacturing Limited purchased £nil (2013 - £6,892) of raw materials and £7,712 (2013 - £125,760) of capital items from Presspart GmbH & Co KG.

During the year recharges of £264,585 (2013 - £213,885) were made by H&T Waterbury to Presspart Manufacturing Limited. During the year, recharges were also made from Presspart Manufacturing Limited to H&T Waterbury of £336 (2013 - £814).

During the year Presspart Manufacturing Limited made recharges of £490,677 (2013 - £398,282) to Presspart Manufacturing S.A. and Presspart Manufacturing S.A. made recharges of £8,145 (2013 - £1,549) to Presspart Manufacturing Limited.

During the year Dongguan Heitkamp and Thumann Metal Products Limited recharged expenses of £77,128 (2013 - £83,527) to Presspart Manufacturing Limited.

Presspart Manufacturing Limited

Notes to the financial statements (continued) For the year ended 31 December 2014

29 Related party relationships and transactions

(continued)

During the year, recharges were also made from Presspart Manufacturing Limited to Dongguan Heitkamp and Thumann Metal Products Limited of £nil (2013 - £1,510).

During the year recharges of £nil (2013 - £3,542) were made by Presspart Manufacturing Limited to Westfalia Presstechnik GmbH & Co. KG.

During the year recharges of £nil (2013 - £190) were made by Westfalia-Metallschlauchtechnik GmbH & Co. KG, and Presspart Manufacturing Limited recharged £315 (2013: £nil) to Westfalia-Metallschlauchtechnik GmbH & Co. KG.

During the year recharges of £37,053 (2013 - £21,496) were made by Westfalia Metal Components India Pte. Ltd to Presspart Manufacturing Limited and Presspart Manufacturing Limited purchased £710 (2013 - £837) of capital items from the company.

During the year recharges of £nil (2013 - £361) were made by H&T Produktions Technologie GmbH to Presspart Manufacturing Limited and Presspart Manufacturing Limited recharged £426 (2013 - £nil) to H&T Produktions Technologie GmbH.

During the year recharges were made to Heitkamp und Thumann Pte Ltd of £1,223 (2013 - £nil).

During the year recharges were made by Presspart Manufacturing Limited to Westfalia Metal s.r.o. of £346 (2013 - £nil) and to Doby Cleats Limited of £6,633 (2013 - £nil).