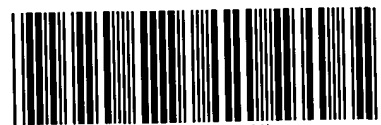


**COMPANY REGISTRATION NUMBER: 1080251**

**Cressall Resistors Limited**  
**Abbreviated Financial Statements**  
**For the year ended**  
**31 December 2015**

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COMPANIES HOUSE

**Cressall Resistors Limited**  
**Abbreviated Financial Statements**  
**Year ended 31 December 2015**

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# **Cressall Resistors Limited**

## **Officers and Professional Advisers**

### **The board of directors**

D Atkins  
M Fornari  
M C Nicholls  
S Bruckner

### **Company secretary**

D Atkins

### **Registered office**

Evington Valley Road  
Leicester  
LE5 5LZ

### **Accountants**

Streets Audit LLP  
Chartered accountant  
St Peters Chambers  
2 Bath Street  
Grantham  
Lincs  
NG31 6EG

### **Bankers**

National Westminster Bank Plc  
Gateway House  
4 Penman Way  
Grove Park  
Enderby  
Leicestershire  
LE19 1SY

# **Cressall Resistors Limited**

## **Strategic Report**

### **Year ended 31 December 2015**

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and nature of our business, incorporating our key performance indicators and the principal risks and uncertainties that the business faces.

The company continues to design, manufacture and sell high power electrical resistors.

In line with expectations the turnover reduced during the year and gross profit percentage fell from 29.87% to 25.78%. The directors expect improved results in 2016 both in terms of turnover and gross profit percentage.

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

The company's principal financial instruments comprise cash and various items such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to provide finance for the company's operations.

The existence of these financial instruments exposes the company to a number of financial risks. The main risk arising from the company's financial instruments are credit risk, currency risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

#### *Credit risk*

The company seeks to manage its credit risk by dealing with established customers or otherwise checking the credit-worthiness of new customers, establishing clear contractual relationships with those customers and by identifying and addressing any credit issues arising in a timely manner.

#### *Currency risk*

The company minimises its risk to foreign currency fluctuations by invoicing and purchasing in sterling where possible, and where not by balancing as far as possible sales and purchases in Dollars and Euros.

#### *Liquidity risk*

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by overdraft facilities. The company as far as possible minimises its risk to foreign currency fluctuations by invoicing and purchasing in sterling.

The company is exposed, as are its competitors, to fluctuating steel prices. Consideration is given to this when tendering for contracts.

# **Cressall Resistors Limited**

## **Strategic Report** *(continued)*

**Year ended 31 December 2015**

This report was approved by the board of directors on 24/09/2016 and signed on behalf of the board by:



S Bruckner  
Director

Registered office:  
Evington Valley Road  
Leicester  
LE5 5LZ

# **Cressall Resistors Limited**

## **Directors' Report**

**Year ended 31 December 2015**

The directors present their report and the abbreviated financial statements of the company for the year ended 31 December 2015.

### **Directors**

The directors who served the company during the year were as follows:

D Atkins

M Fornari

M C Nicholls

S Bruckner

(Appointed 15 April 2015)

### **Dividends**

Particulars of recommended dividends are detailed in note 9 to the financial statements.

### **Research and development**

During the year the company incurred £23,122 (2014 - £23,952) in research and development costs.

### **Disclosure of information in the strategic report**

The company has chosen to set out in the strategic report information about the future developments of the company and the financial instruments.

### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Cressall Resistors Limited**

## **Directors' Report** *(continued)*

**Year ended 31 December 2015**

### **Auditor**

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on .....27/9/16..... and signed on behalf of the board by:



M C Nicholls  
Director

Registered office:  
Evington Valley Road  
Leicester  
LE5 5LZ

# **Cressall Resistors Limited**

## **Independent Auditor's Report to Cressall Resistors Limited under section 449 of the Companies Act 2006**

**Year ended 31 December 2015**

We have examined the abbreviated financial statements which comprise the abbreviated statement of comprehensive income, statement of financial position and the related notes, together with the financial statements of Cressall Resistors Limited for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company's shareholders 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

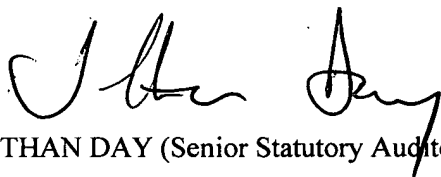
### **Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated financial statements in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.



JONATHAN DAY (Senior Statutory Auditor)

For and on behalf of  
Streets Audit LLP  
Chartered accountant  
Enterprise House  
38 Tyndall Court  
Commerce Road  
Lynch Wood  
Peterborough  
Cambridgeshire  
PE2 6LR

27 September 2016



# Cressall Resistors Limited

## Abbreviated Statement of Comprehensive Income

Year ended 31 December 2015

	Note	2015 £	2014 £
<b>Turnover</b>	<b>3</b>	<b>8,297,078</b>	10,597,624
Cost of sales and other operating income		<b>6,158,181</b>	7,431,580
Administrative expenses		<b>1,648,371</b>	1,789,032
<b>Operating profit</b>	<b>4</b>	<b>490,526</b>	1,377,012
Other interest receivable and similar income		<b>4,688</b>	1,987
<b>Profit on ordinary activities before taxation</b>		<b>495,214</b>	1,378,999
Tax on profit on ordinary activities	<b>8</b>	<b>103,467</b>	707,333
<b>Profit for the financial year and total comprehensive income</b>		<b>391,747</b>	671,666

All the activities of the company are from continuing operations.

The notes on pages 9 to 21 form part of these financial statements.

# Cressall Resistors Limited

## Statement of Financial Position

31 December 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	10	309,770	375,093
Tangible assets	11	<u>783,238</u>	<u>720,149</u>
		<b>1,093,008</b>	<b>1,095,242</b>
<b>Current assets</b>			
Stocks	13	1,266,105	1,288,317
Debtors	14	2,061,450	2,400,130
Cash at bank and in hand		<u>3,155,209</u>	<u>2,779,903</u>
		<b>6,482,764</b>	<b>6,468,350</b>
<b>Creditors: amounts falling due within one year</b>	15	<u>1,838,258</u>	<u>2,229,864</u>
<b>Net current assets</b>		<b>4,644,506</b>	<b>4,238,486</b>
<b>Total assets less current liabilities</b>		<b>5,737,514</b>	<b>5,333,728</b>
<b>Provisions</b>			
Taxation including deferred tax	17	<u>85,506</u>	<u>73,467</u>
<b>Net assets</b>		<b>5,652,008</b>	<b>5,260,261</b>
<b>Capital and reserves</b>			
Called up share capital	19	1,000,000	1,000,000
Profit and loss account	20	<u>4,652,008</u>	<u>4,260,261</u>
<b>Shareholders funds</b>		<b>5,652,008</b>	<b>5,260,261</b>

These financial statements have been prepared in accordance with the special provisions of section 445(3) Companies Act 2006 in regard to medium-sized companies.

These abbreviated financial statements were approved by the board of directors and authorised for issue on 21/09/2016, and are signed on behalf of the board by:



S Bruckner  
Director

Company registration number: 1080251

The notes on pages 9 to 21 form part of these financial statements.

# **Cressall Resistors Limited**

## **Notes to the Abbreviated Financial Statements**

**Year ended 31 December 2015**

### **1. Company information**

Cressall Resistors Limited is a limited liability company, incorporated in England and Wales. The principal place of business is the registered office. The principal activity of the company during the year was the design, manufacture and sale of high power electrical resistors.

The financial statements cover the individual company.

### **2. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

#### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of TPR Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) Disclosures in respect of share-based payments have not been presented.
- (e) No disclosure has been given for the aggregate remuneration of key management personnel.

# **Cressall Resistors Limited**

## **Notes to the Abbreviated Financial Statements *(continued)***

**Year ended 31 December 2015**

### **2. Accounting policies *(continued)***

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as disclosed in the accounting policies and notes to the financial statements.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as disclosed in the accounting policies and notes to the financial statements.

#### **1 Depreciation charge**

The annual depreciation charge for each class of tangible fixed asset is based on an estimate of the useful economic life of the respective assets. This is reviewed periodically by the directors to ensure that they reflect both the external and internal factors.

#### **2 Amortisation**

The annual amortisation charge for intangible assets and goodwill is based on an estimate of the useful economic life of the respective assets. This is reviewed periodically by the directors to ensure that they reflect both the external and internal factors.

#### **3 Impairment of investments**

The company makes an estimate of the recoverable value of investments. When assessing impairment of investments, management considers factors including the net assets of the investments.

#### **4 Treatment of Advanced Payment notices**

The directors have recognised the net of the liability in respect of Advance Payment Notices received from HMRC and the benefit of the related insurance policy.

#### **Revenue recognition**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

# **Cressall Resistors Limited**

## **Notes to the Abbreviated Financial Statements *(continued)***

**Year ended 31 December 2015**

### **2. Accounting policies *(continued)***

#### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all material timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### **Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Patents are initially recorded at cost.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 5% straight line
Patents	- 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

# **Cressall Resistors Limited**

## **Notes to the Abbreviated Financial Statements *(continued)***

**Year ended 31 December 2015**

### **2. Accounting policies *(continued)***

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant Equipment and tooling	-	8% to 33% straight line
Fixtures and fittings	-	10% straight line
Motor Vehicles	-	20% straight line
Property improvements	-	10% straight line

#### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is derived from purchase invoices. Stock is recorded on a first in first out basis.

# Cressall Resistors Limited

## Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31 December 2015

### 2. Accounting policies *(continued)*

#### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 3. Turnover

Turnover arises from:

	2015	2014
	£	£
Sale of goods	<u>8,297,078</u>	<u>10,597,624</u>

### 4. Operating profit

Operating profit or loss is stated after charging:

	2015	2014
	£	£
Amortisation of intangible assets	65,323	72,123
Depreciation of tangible assets	141,811	150,343
Gains on disposal of tangible assets	(167)	—
Research and development expenditure written off	23,122	23,952
Foreign exchange differences	15,304	73,488
Defined contribution plans expense	75,057	97,359
Operating lease costs	<u>196,001</u>	<u>198,281</u>

# Cressall Resistors Limited

## Notes to the Abbreviated Financial Statements *(continued)*

**Year ended 31 December 2015**

### 5. Auditor's remuneration

	2015	2014
	£	£
Fees payable for the audit of the financial statements	<u>15,000</u>	<u>16,000</u>
Fees payable to the company's auditor and its associates for other services:		
Audit-related assurance services	<u>2,036</u>	<u>2,700</u>

### 6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2015	2014
	No.	No.
Production staff	56	64
Management staff	<u>41</u>	<u>39</u>
	<u>97</u>	<u>103</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2015	2014
	£	£
Wages and salaries	1,196,387	1,452,550
Social security costs	226,111	214,841
Other pension costs	75,057	97,359
	<u>1,497,555</u>	<u>1,764,750</u>

### 7. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2015	2014
	£	£
Remuneration	259,860	303,809
Company contributions to defined contribution pension plans	<u>22,113</u>	<u>24,116</u>
	<u>281,973</u>	<u>327,925</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2015	2014
	No.	No.
Defined contribution plans	<u>3</u>	<u>3</u>



# Cressall Resistors Limited

## Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31 December 2015

### 7. Directors' remuneration *(continued)*

Remuneration of the highest paid director in respect of qualifying services:

	2015	2014
	£	£
Aggregate remuneration	91,957	95,827
Company contributions to defined contribution pension plans	7,723	9,618
	<u>99,680</u>	<u>105,445</u>

### 8. Tax on profit on ordinary activities

Major components of tax expense

	2015	2014
	£	£
<b>Current tax:</b>		
UK current tax expense	91,428	657,335
<b>Deferred tax:</b>		
Origination and reversal of timing differences	12,039	49,998
<b>Tax on profit on ordinary activities</b>	<u>103,467</u>	<u>707,333</u>

# Cressall Resistors Limited

## Notes to the Abbreviated Financial Statements *(continued)*

### Year ended 31 December 2015

#### 8. Tax on profit on ordinary activities *(continued)*

The company claimed trading losses from investments in Limited Liability Partnerships in earlier years which were required to be disclosed under DOTAS arrangements. Consequently, HM Revenue & Customs opened enquiries into the loss claims, although the company is confident that these will be concluded without requiring any adjustments to the previously submitted corporation tax returns.

Following proposals announced in the Budget 2014, on 17 March 2014, and the subsequent enactment of the Finance Bill 2014, on 17 July 2014, HM Revenue & Customs obtained the power, under limited circumstances, to require the company to pay on account the additional corporation tax that would be payable if they are successful in their challenge against the original tax losses claimed from the Limited Liability Partnership. HM Revenue & Customs used these powers and issued Advanced Payment Notices to the company that require a payment on account of £688,352 to be made.

At the time the company made one of the investments it also entered into an insurance policy which, should the original loss relief be ultimately denied by HM Revenue & Customs, would reimburse the company for the cost of the investment and the insurance premium paid. Taking into account the benefit of this policy, the net liability to the company would be £389,562.

The directors have considered that the benefit of the insurance policy should be netted off against the liability under the Advanced Payment Notices as without this net-off the position reported would be more adverse than the overall worst case outcome for the company. The benefit of the insurance policy has therefore been recognised as a debtor and netted off against the liability under the Advanced Payment Notices in arriving at the prior year tax charge above of £389,562.

The directors consider that £688,352 will ultimately be repaid to the company once the original tax enquiry has been concluded, however this is contingent on a successful conclusion of the original tax enquiry and as such under Financial Reporting Standard 102 this cannot be recognised as an asset.

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2014: higher than) the standard rate of corporation tax in the UK of 20.25% (2014: 21.50%).

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>495,214</u>	<u>1,378,999</u>
Profit on ordinary activities by rate of tax	100,281	296,485
Adjustment to tax charge in respect of prior periods	(12,634)	–
Effect of expenses not deductible for tax purposes	–	571
Effect of capital allowances and depreciation	15,820	20,715
Advanced payment to HMRC	–	389,562
Tax on profit on ordinary activities	<u>103,467</u>	<u>707,333</u>

# Cressall Resistors Limited

## Notes to the Abbreviated Financial Statements (continued)

Year ended 31 December 2015

### 9. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2015 £	2014 £
Equity dividends on ordinary shares	–	471,046

### 10. Intangible assets

	Goodwill £	Patents, trademarks and licences £	Total £
<b>Cost</b>			
At 1 Jan 2015 and 31 Dec 2015	1,306,451	17,000	1,323,451
<b>Amortisation</b>			
At 1 January 2015	941,558	6,800	948,358
Charge for the year	65,323	–	65,323
At 31 December 2015	1,006,881	6,800	1,013,681
<b>Carrying amount</b>			
At 31 December 2015	299,570	10,200	309,770
At 31 December 2014	364,893	10,200	375,093

### 11. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Property improvements £	Total £
<b>Cost</b>					
At 1 Jan 2015	1,949,381	154,838	21,950	56,512	2,182,681
Additions	173,278	12,972	–	18,650	204,900
Disposals	–	–	(2,200)	–	(2,200)
At 31 Dec 2015	2,122,659	167,810	19,750	75,162	2,385,381
<b>Depreciation</b>					
At 1 Jan 2015	1,294,849	133,480	12,275	21,928	1,462,532
Charge for the year	127,560	3,937	3,420	6,894	141,811
Disposals	–	–	(2,200)	–	(2,200)
At 31 Dec 2015	1,422,409	137,417	13,495	28,822	1,602,143
<b>Carrying amount</b>					
At 31 Dec 2015	700,250	30,393	6,255	46,340	783,238
At 31 Dec 2014	654,532	21,358	9,675	34,584	720,149

# Cressall Resistors Limited

## Notes to the Abbreviated Financial Statements *(continued)*

**Year ended 31 December 2015**

### 11. Tangible assets *(continued)*

#### Capital commitments

	2015	2014
	£	£
Contracted for but not provided for in the financial statements	—	<u>14,124</u>

### 12. Investments

	Other investments other than loans £
Cost	
At 1 Jan 2015 and 31 Dec 2015	<u>935,615</u>
Impairment	
At 1 Jan 2015 and 31 Dec 2015	<u>935,615</u>
Carrying amount	
At 31 December 2015	<u>—</u>

### 13. Stocks

	2015	2014
	£	£
Raw materials and consumables	1,102,108	1,151,440
Work in progress	163,997	136,877
	<u>1,266,105</u>	<u>1,288,317</u>

Included within stock is a closing stock provision of £33,392 (2014 - £82,536).

### 14. Debtors

	2015	2014
	£	£
Trade debtors	1,480,663	1,897,246
Prepayments and accrued income	154,628	178,554
Amounts recoverable on contracts	27,011	23,681
Other debtors	399,148	300,649
	<u>2,061,450</u>	<u>2,400,130</u>

Other debtors includes an insurance policy receivable of £298,790 (2014 - £298,790), please see note 9 to the financial statements for more details in relation to this.

# Cressall Resistors Limited

## Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31 December 2015

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

	2015	2014
	£	£
Payments received on account	18,345	77,598
Trade creditors	777,070	918,279
Accruals and deferred income	95,469	202,189
Corporation tax	1,201	95,773
Social security and other taxes	60,763	125,065
APN Liability	688,352	688,352
Other creditors	197,058	122,608
	<u>1,838,258</u>	<u>2,229,864</u>

Please see note 9 for more details of the APN liability.

### 16. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2015	2014
	£	£
Included in provisions (note 17)	<u>85,506</u>	<u>73,467</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2015	2014
	£	£
Accelerated capital allowances	87,194	76,123
Pension benefit obligations	<u>(1,688)</u>	<u>(2,656)</u>
	<u>85,506</u>	<u>73,467</u>

### 17. Provisions

	Deferred tax (note 16) £
At 1 January 2015	73,467
Additions	<u>12,039</u>
At 31 December 2015	<u>85,506</u>

### 18. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £75,057 (2014: £97,359).

# Cressall Resistors Limited

## Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31 December 2015

### 19. Called up share capital

Issued, called up and fully paid

	2015		2014	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

### 20. Reserves

Profit and loss account - this reserve records retained earnings and accumulated losses.

### 21. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2015	2014
	£	£
Not later than 1 year	4,674	4,413
Later than 1 year and not later than 5 years	<u>36,624</u>	<u>29,908</u>
	<u>41,298</u>	<u>34,321</u>

### 22. Contingencies

The company claimed trading losses from an investment in a Limited Liability Partnership in earlier years which was disclosed under DOTAS arrangements. Consequently, HM Revenue & Customs opened an enquiry into the loss claim, although the company is confident that the enquiry will be concluded without requiring any adjustments to the previously submitted corporation tax return. Following proposals announced in the Budget 2014, on 17 March 2014, and the subsequent enactment of the Finance Bill 2014, on 17 July 2014, HM Revenue & Customs now have the power, under limited circumstances, to require the company to pay on account the additional corporation tax that would be payable if they are successful in their challenge against the original tax losses claimed from the Limited Liability Partnership.

If HM Revenue & Customs use these powers the company would be required to make a payment on account of £349,474. At the time the company made the investment it also entered into an insurance policy which, should the loss relief be ultimately denied by HM Revenue & Customs, would reimburse the company for the cost of the investment and the insurance premium paid. Taking into account the benefit of this policy, the net liability to the company would be £129,498.

The directors consider that these matters amount to a contingent liability, both at the balance sheet date and also at the time of approving these financial statements. There remains a high degree of uncertainty as the company has not received any notification from HM Revenue & Customs that it will be required to make any such payment on account. On this basis the directors have concluded that under Financial Reporting Standard 102 the position needs to be disclosed as a contingent liability and not recognised as a provision as at the balance sheet date.

# **Cressall Resistors Limited**

## **Notes to the Abbreviated Financial Statements *(continued)***

**Year ended 31 December 2015**

### **23. Controlling party**

TPR Limited, a company Registered in England and Wales, is the immediate parent company.

The Fornari family are the company's controlling shareholders by virtue of their ownership of the group.

### **24. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2014.

No transitional adjustments were required in equity or profit or loss for the year.