Company Registration No. 01376835 (England and Wales)

NORTON CAST PRODUCTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2018

PAGES FOR FILING WITH REGISTRAR

NORTON CAST PRODUCTS LIMITED

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NORTON CAST PRODUCTS LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	3		325,091		379,640
Current assets					
Stocks		660,944		717,095	
Debtors	5	2,824,289		2,594,566	
Cash at bank and in hand		1,313,737		1,371,831	
		4,798,970		4,683,492	
Creditors: amounts falling due within one year	6	(2,342,981)		(2,491,913)	
Net current assets			2,455,989		2,191,579
Total assets less current liabilities			2,781,080		2,571,219
Creditors: amounts falling due after more than one year	7		-		(40,494)
Provisions for liabilities			(38,000)		(50,000)
Net assets			2,743,080		2,480,725
Capital and reserves					
Called up share capital	9		2,000		2,000
Profit and loss reserves			2,741,080		2,478,725
Total equity			2,743,080		2,480,725

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

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

The financial statements were approved by the board of directors and authorised for issue on 18 September 2018 and are signed on its behalf by:

P Ingall
Director

Company Registration No. 01376835

1 Accounting policies

Company information

Norton Cast Products Limited is a private company limited by shares incorporated in England and Wales. The registered office is Capital Steel Works, Tinsley Park Road, Sheffield, S9 5DL.

1.1 Accounting convention

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

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

The financial statements have been prepared on the historical cost convention.The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;

The financial statements of the company are consolidated in the financial statements of J B Ingall Limited. These consolidated financial statements are available from its registered office.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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

1.3 Tangible fixed assets

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

1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	7% to 50% straight line
Motor vehicles	25% reducing balance

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

1.4 Impairment of fixed assets

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

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

1.5 Stocks

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

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

1.6 Cash at bank and in hand

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

1.7 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

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

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

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

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

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

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

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

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

1.10 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.11 Employee benefits

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

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

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

1.12 Retirement benefits

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

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If the grant conditions have been met and /or certified by the grant issuing body, the remainder of the deferred grant is released to profit and loss.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 62 (2017 - 63).

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 February 2017	3,541,105
Additions	99,190
Disposals	(21,000)
At 31 January 2018	3,619,295
Depreciation and impairment	
At 1 February 2017	3,161,465
Depreciation charged in the year	150,002
Eliminated in respect of disposals	(17,263)
At 31 January 2018	3,294,204
Carrying amount	
At 31 January 2018	325,091
At 31 January 2017	379,640

4 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	6,174	-

The company has forward foreign currency contracts to hedge the exchange rate risk arising from the need to convert overseas customers settling their sales ledger balances in US Dollars and Euros, at various points in the future.

The notional value of the contracts are £122,239 and the the fair value of these contracts at the year end was £116,065, giving rise to a fair value movement recognised through the profit and loss account of £6,174.

The fair value of forward foreign currency contracts has been determined by the company's bank to which the contracts have been taken out with, by reference to the forward currency rate at the year end.

5 Debtors

Amounts falling due within one year:	2018 £	2017 £
Trade debtors	2,748,504	2,468,650
Corporation tax recoverable	37,106	89,062
Derivative financial instruments	6,174	-
Other debtors	10,871	-
Prepayments and accrued income	21,634	36,854
	2,824,289	2,594,566

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	40,494	118,988
Trade creditors	1,761,842	1,599,890
Amounts due to group undertakings	-	298,802
Other taxation and social security	86,064	95,239
Other creditors	454,581	378,994
	2,342,981	2,491,913

7 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	-	40,494

8 Financial instruments

With the exception of the financial instruments disclosed in note 5, all debt instruments, financial assets and financial liabilities are measured at amortised cost.

9 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
2,000 Ordinary shares of £1 each	2,000	2,000
	2,000	2,000

10 Audit report information

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

The auditor's report was unqualified.
The senior statutory auditor was Lisa Leighton.
The auditor was BHP LLP.

11 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018	2017
	£	£
Within one year	86,826	80,000
Between two and five years	68,736	114,380
	155,562	194,380

12 Parent company

The ultimate parent company is J B Ingall Limited, a company registered in England and Wales. J B Ingall Limited prepares group financial statements and copies can be obtained from the registered office.