

REGISTERED NUMBER: 01587253 (England and Wales)

Audited Financial Statements For The Year Ended 30 September 2017

for

Charter Castings Limited

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For The Year Ended 30 September 2017**

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Charter Castings Limited
Company Information
For The Year Ended 30 September 2017

DIRECTORS:

P Harpin
M W Green

REGISTERED OFFICE:

Bagnall Street
Great Bridge
Tipton
WEST MIDLANDS
DY4 7BU

REGISTERED NUMBER:

01587253 (England and Wales)

AUDITORS:

Howell Dunn & Co Limited
Statutory Auditors
60 Lyde Green
Halesowen
West Midlands
B63 2PQ

Charter Castings Limited (Registered number: 01587253)

**Balance Sheet
30 September 2017**

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Tangible assets	4		1,570,106		1,717,884
CURRENT ASSETS					
Stocks		239,194		234,467	
Debtors	5	813,628		1,373,193	
Cash at bank and in hand		<u>78,829</u>		<u>169,117</u>	
		1,131,651		1,776,777	
CREDITORS					
Amounts falling due within one year	6	<u>878,801</u>		<u>1,248,748</u>	
NET CURRENT ASSETS			<u>252,850</u>		<u>528,029</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,822,956		2,245,913
CREDITORS					
Amounts falling due after more than one year	7		(399,601)		(494,030)
PROVISIONS FOR LIABILITIES	10		(88,575)		(149,075)
ACCRUALS AND DEFERRED INCOME	11		<u>(162,499)</u>		<u>(179,930)</u>
NET ASSETS			<u>1,172,281</u>		<u>1,422,878</u>
CAPITAL AND RESERVES					
Called up share capital			65,000		65,000
Share premium			25,000		25,000
Revaluation reserve	12		62,513		62,513
Capital redemption reserve			20,000		20,000
Retained earnings			<u>999,768</u>		<u>1,250,365</u>
SHAREHOLDERS' FUNDS			<u>1,172,281</u>		<u>1,422,878</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 25 January 2018 and were signed on its behalf by:

P Harpin - Director

**Notes to the Financial Statements
For The Year Ended 30 September 2017**

1. STATUTORY INFORMATION

Charter Castings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the cost incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Patterns and dies	- 25% on reducing balance

Depreciation is not provided on freehold land.

The charge commences when the asset is brought into use.

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

Government grants

Government grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the income statement at the same rate as the depreciation on the assets to which the grant relates. The deferred element of the grant is included in creditors as deferred income.

Notes to the Financial Statements - continued
For The Year Ended 30 September 2017

2. ACCOUNTING POLICIES - continued

Stocks

Stock and work in progress are stated at the lower of cost and net realisable value. Cost is determined as follows:

Raw materials - purchase cost on a first in first out basis; and

Work in progress - cost of direct materials and labour plus attributable overheads based on normal levels of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred for completion and sale.

Due allowance is made for any slow or obsolete items

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Where assets are financed by leasing arrangements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor as liabilities. Depreciation on the relevant asset is charged to the income statement over the shorter of the assets estimated useful economic life and the term of the lease.

In circumstances where the company has entered into hire purchase agreements for certain fixed assets, the asset is capitalised in the balance sheet along with corresponding liability. These assets are depreciated over their useful economic lives and charged in the income statement.

Lease payments and hire purchase repayments are apportioned between interest charges and capital liabilities using the effective interest method, so as to produce a constant rate of interest on the remaining balance of the liabilities. Interest charges are recognised in the income statement.

Operating leases

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued
For The Year Ended 30 September 2017

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the income statement when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plans are held separately from the company in independently administered funds.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of comprehensive income in other administrative expenses.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Impairment

Assets not valued at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Employee benefits

When employees have rendered service to the company, short term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 69 (2016 - 72) .

Notes to the Financial Statements - continued
For The Year Ended 30 September 2017

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST OR VALUATION			
At 1 October 2016	801,079	1,885,282	225,335
Additions	4,686	14,895	7,600
At 30 September 2017	<u>805,765</u>	<u>1,900,177</u>	<u>232,935</u>
DEPRECIATION			
At 1 October 2016	56,805	1,054,900	186,877
Charge for year	13,460	126,088	9,213
At 30 September 2017	<u>70,265</u>	<u>1,180,988</u>	<u>196,090</u>
NET BOOK VALUE			
At 30 September 2017	<u>735,500</u>	<u>719,189</u>	<u>36,845</u>
At 30 September 2016	<u>744,274</u>	<u>830,382</u>	<u>38,458</u>
	Motor vehicles £	Patterns and dies £	Totals £
COST OR VALUATION			
At 1 October 2016	34,968	245,144	3,191,808
Additions	-	-	27,181
At 30 September 2017	<u>34,968</u>	<u>245,144</u>	<u>3,218,989</u>
DEPRECIATION			
At 1 October 2016	17,838	157,504	1,473,924
Charge for year	4,283	21,915	174,959
At 30 September 2017	<u>22,121</u>	<u>179,419</u>	<u>1,648,883</u>
NET BOOK VALUE			
At 30 September 2017	<u>12,847</u>	<u>65,725</u>	<u>1,570,106</u>
At 30 September 2016	<u>17,130</u>	<u>87,640</u>	<u>1,717,884</u>

Included in cost or valuation of land and buildings is freehold land of £ 130,000 (2016 - £ 130,000) which is not depreciated.

Cost or valuation at 30 September 2017 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £
Valuation in 2014	730,667	-	-
Cost	<u>75,098</u>	<u>1,900,177</u>	<u>232,935</u>
	<u>805,765</u>	<u>1,900,177</u>	<u>232,935</u>

Notes to the Financial Statements - continued
For The Year Ended 30 September 2017

4. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Patterns and dies £	Totals £
Valuation in 2014	-	-	730,667
Cost	34,968	245,144	2,488,322
	<u>34,968</u>	<u>245,144</u>	<u>3,218,989</u>

If freehold property had not been revalued it would have been included at the following historical cost:

	2017 £	2016 £
Cost	743,252	736,166
Aggregate depreciation	<u>67,898</u>	<u>54,227</u>
Value of land in freehold land and buildings	<u>38,968</u>	<u>38,968</u>

Freehold property was valued on an open market basis on 20 October 2014 by Gregson Page Professional Services Ltd

The valuation given for land included within freehold property is an estimate.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST OR VALUATION	
At 1 October 2016 and 30 September 2017	<u>472,245</u>
DEPRECIATION	
At 1 October 2016	171,396
Charge for year	<u>45,128</u>
At 30 September 2017	<u>216,524</u>
NET BOOK VALUE	
At 30 September 2017	<u>255,721</u>
At 30 September 2016	<u>300,849</u>

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

	2017 £	2016 £
Trade debtors	739,782	1,266,047
Tax	4,613	-
Prepayments	<u>69,233</u>	<u>107,146</u>
	<u>813,628</u>	<u>1,373,193</u>

Notes to the Financial Statements - continued
For The Year Ended 30 September 2017

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts	412,967	244,152
Hire purchase contracts (see note 8)	59,034	69,486
Trade creditors	308,203	583,692
Corporation tax	-	4,613
Social security and other taxes	44,291	81,923
Directors' current accounts	15,745	160,606
Accrued expenses	38,561	104,276
	<u>878,801</u>	<u>1,248,748</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Bank loans - 1-2 years	35,704	33,565
Bank loans - 2-5 years	114,438	108,107
Bank loans more than 5 years		
by instalments	219,491	263,356
Hire purchase contracts (see note 8)	29,968	89,002
	<u>399,601</u>	<u>494,030</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more than 5 years		
by instalments	219,491	263,356
	<u>219,491</u>	<u>263,356</u>

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2017	2016
	£	£
Net obligations repayable:		
Within one year	59,034	69,486
Between one and five years	29,968	89,002
	<u>89,002</u>	<u>158,488</u>

Notes to the Financial Statements - continued
For The Year Ended 30 September 2017

8. **LEASING AGREEMENTS - continued**

	Non-cancellable operating leases	
	2017	2016
	£	£
Within one year	4,757	8,698
Between one and five years	8,961	3,638
	<u>13,718</u>	<u>12,336</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank overdrafts	378,419	211,751
Bank loans	404,181	437,429
Hire purchase contracts	89,002	158,488
	<u>871,602</u>	<u>807,668</u>

Bank borrowing is secured by debenture and a charge on the company's property.

Hire purchase liabilities are secured on the asset to which the contract relates.

10. **PROVISIONS FOR LIABILITIES**

	2017	2016
	£	£
Deferred tax	<u>88,575</u>	<u>149,075</u>
		Deferred tax
		£
Balance at 1 October 2016		149,075
Credit to Statement of Comprehensive Income during year		<u>(60,500)</u>
Balance at 30 September 2017		<u>88,575</u>

11. **ACCRUALS AND DEFERRED INCOME**

	2017	2016
	£	£
Deferred government grants	<u>162,499</u>	<u>179,930</u>

Accruals and deferred income includes government grants received. These will be credited to the profit and loss account by instalments over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Notes to the Financial Statements - continued
For The Year Ended 30 September 2017

12. **RESERVES**

Revaluation
reserve
£

At 1 October 2016
and 30 September 2017

62,513

13. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

L C Ball FCCA (Senior Statutory Auditor)
for and on behalf of Howell Dunn & Co Limited

14. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is M W Green.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.