

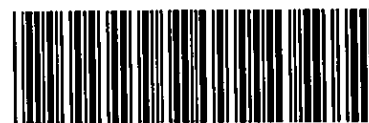
**Ibex Marina Ropes Limited**

**Director's report and financial  
statements**

**Registered number 2194192**

**For the year ended 31 December 2010**

SATURDAY



\*AB87DXFP\*

A30

10/09/2011

53

COMPANIES HOUSE

## Contents

Director's report	1
Statement of director's responsibilities in respect of the director's report and the financial statements	2
Independent auditor's report to the members of Ibex Marina Ropes Limited	3
Profit and loss account	5
Balance sheet	6
Notes	7

## Director's report

The director presents his annual report and the audited financial statements for the year ended 31 December 2010

### Principal activities

The business of the company is the manufacture of braided cord and rope

### Business review

The trading results for the year are shown in the profit and loss account on page 5

Following the merger of Ibex Ropes and Marina Ropes in 2009, the company has prospered financially and 2010 sees the first indications of the delivery of this enhanced performance

The merger also puts the business in a stronger position from a managerial perspective and this should continue to help the business to focus on profitable market sectors and push into new areas of business

The aggressive stance on cost control puts the business in an ideal position to capitalise on any sales improvements and convert these into profit and cash

### Proposed dividend

The director does not recommend the payment of a dividend (2009 £Nil)

### Director

Mr PR Earp is the sole director and served throughout the year

### Disclosure of information to auditors

The director who held office at the date of approval of this director's report confirms that, so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and the director has taken all the steps that he ought to have taken as a director, to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

### Auditors

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

On behalf of the board



**PR Earp**  
Director

Spring Lane  
Malvern  
Worcestershire  
WR14 1AL

19 August 2011

## **Statement of director's responsibilities in respect of the director's report and the financial statements**

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law he has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

## **Independent auditor's report to the members of Ibex Marina Ropes Limited**

We have audited the financial statements of Ibex Marina Ropes Limited for the year ended 31 December 2010 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditor's 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 auditor**

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the members of Ibex Marina Ropes Limited**  
*(continued)*

**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



**G Neale (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*

19 August 2011

**Profit and loss account**  
*for the year ended 31 December 2010*

	<i>Note</i>	<b>2010</b> £	<b>2009</b> £
<b>Turnover</b>	<i>1</i>	<b>2,556,045</b>	1,513,767
Cost of sales		<b>(1,329,031)</b>	(1,019,349)
<b>Gross profit</b>		<b>1,227,014</b>	494,418
Distribution costs		<b>(29,353)</b>	(34,427)
Administrative expenses		<b>(726,022)</b>	(329,520)
<b>Operating profit</b>		<b>471,639</b>	130,471
Other interest receivable and similar income	<i>5</i>	<b>51</b>	32
Profit on sale of fixed assets		<b>900</b>	6,580
<b>Profit on ordinary activities before taxation</b>	<i>2</i>	<b>472,590</b>	137,083
Tax on profit on ordinary activities	<i>6</i>	<b>(132,141)</b>	(32,280)
<b>Profit on ordinary activities after taxation being profit for the financial year</b>		<b>340,449</b>	104,803

All results arose from continuing operations

There were no recognised gains or losses in either the current or preceding years other than those disclosed in the profit and loss account

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents

**Balance sheet**  
*at 31 December 2010*

	<i>Note</i>	<b>2010</b>		<b>2009</b>	
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	7		91,552		152,337
<b>Current assets</b>					
Stocks	8	447,049		406,975	
Debtors	9	1,331,934		862,785	
Cash at bank and in hand		72,338		30,775	
		<u>1,851,321</u>		<u>1,300,535</u>	
<b>Creditors</b> Amounts falling due within one year	10	(539,615)		(381,863)	
<b>Net current assets</b>			1,311,706		918,672
<b>Total assets less current liabilities</b>			<u>1,403,258</u>		<u>1,071,009</u>
Provisions for liabilities and charges	11		-		(8,200)
<b>Net assets</b>			<u>1,403,258</u>		<u>1,062,809</u>
<b>Capital and reserves</b>					
Called up share capital	14		2		2
Profit and loss account	13		1,403,256		1,062,807
<b>Shareholders' funds</b>	12		<u>1,403,258</u>		<u>1,062,809</u>

These financial statements were approved and signed by the director on 19 August 2011



**PR Earp**  
*Director*

Company number 2194192



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost accounting rules

Under FRS 1 (Revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size

#### *Fixed assets and depreciation*

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives on a straight line basis as follows

Plant and machinery	-	15%
Fixtures, fittings, tools and computer equipment	-	15 - 25%

#### *Operating leases*

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

#### *Taxation*

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

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value. For work in progress and finished goods, cost is taken as production cost which includes an appropriate proportion of overheads

#### *Foreign currencies*

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

#### *Turnover*

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers. The analysis of turnover by geographical area is as follows

	2010 £	2009 £
United Kingdom	1,855,198	1,279,716
Export	700,847	234,051
	<hr/>	<hr/>
	2,556,045	1,513,767
	<hr/>	<hr/>

## Notes (continued)

### 2 Profit on ordinary activities before taxation

	2010 £	2009 £
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration		
Audit of these financial statements	16,800	7,200
Depreciation and other amounts written off tangible fixed assets	62,062	110,259
Operating leases		
Plant and machinery	100,000	27,000
Other	77,000	35,000
	<u>          </u>	<u>          </u>

### 3 Remuneration of directors

The director received no emoluments during the year (2009 £Nil)

### 4 Staff numbers and costs

The average number of persons employed by the company (including the director) during the year were as follows

	Number of employees	
	2010	2009
Administration	7	7
Production	34	26
	<u>          </u>	<u>          </u>
	41	33
	<u>          </u>	<u>          </u>

The aggregate payroll costs of these persons were as follows

	£	£
Wages and salaries	595,092	432,402
Social security costs	46,517	35,011
	<u>          </u>	<u>          </u>
	641,609	467,413
	<u>          </u>	<u>          </u>

### 5 Other interest receivable and similar income

	2010 £	2009 £
On cash at bank	51	32
	<u>          </u>	<u>          </u>

## Notes (continued)

### 6 Tax on profit on ordinary activities

#### (i) Analysis of charge for the year

	2010		2009
	£	£	£
<i>Current tax</i>			
Current tax on income for the year	138,515		27,580
Adjustment in respect of prior year	19,497		-
	<hr/>		<hr/>
Total current tax		158,012	27,580
<i>Deferred tax (see note 11)</i>			
Origination/reversal of timing differences	(6,441)		4,700
Effect of rate changes	653		-
Adjustment in respect of prior years	(20,083)		-
	<hr/>		<hr/>
		(25,871)	4,700
		<hr/>	<hr/>
Tax charge on profit on ordinary activities		132,141	32,280
		<hr/>	<hr/>

#### (ii) Factors affecting the tax charge for the year

The current tax charge for the year is higher (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 28%). The differences are explained below

	2010	2009
	£	£
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	472,590	137,083
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the rate of corporation tax in UK of 28% (2009 28%)	132,325	38,383
<i>Effects of</i>		
Depreciation for the year less/(greater) than capital allowances	6,388	(4,750)
Increase in other timing differences	3	-
Expenses not deductible for tax purposes	-	483
Other	(201)	-
Tax rate lower than standard % rate on tax profits	-	(6,536)
Adjustment in respect of prior year	19,497	-
	<hr/>	<hr/>
Total current tax charge	158,012	27,580
	<hr/>	<hr/>

#### (iii) Factors that may affect the current and total tax charges in future periods

The Budget on 23 March 2011 announced that the UK corporation tax rate will reduce to 23% over a period of 4 years from 2011. The first reduction in the UK corporation tax rate from 28% to 27% (effective from 1 April 2011) was substantively enacted on 20 July 2010 and further reductions to 26% (effective from 1 April 2011) and 25% (effective from 1 April 2012) were substantively enacted on 29 March 2011 and 5 July 2011 respectively.

This will reduce the company's future current tax charge accordingly and further reduce the deferred tax asset at 31 December 2010 (which has been calculated based on the rate of 27% substantively enacted at the balance sheet date) by £1,309.

It has not yet been possible to quantify the full anticipated effect of the announced further 2% rate reduction.

## Notes (continued)

### 7 Tangible fixed assets

	Plant and machinery	Fixtures, fittings, tools and computer equipment	Total
	£	£	£
<b>Cost</b>			
At beginning of year	574,210	137,548	711,758
Additions	977	300	1,277
Disposals	-	(73,814)	(73,814)
	<hr/>	<hr/>	<hr/>
At end of year	575,187	64,034	639,221
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At beginning of year	428,617	130,804	559,421
Charge for year	55,783	6,279	62,062
Disposals	-	(73,814)	(73,814)
	<hr/>	<hr/>	<hr/>
At end of year	484,400	63,269	547,669
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2010	90,787	765	91,552
	<hr/>	<hr/>	<hr/>
At 31 December 2009	145,593	6,744	152,337
	<hr/>	<hr/>	<hr/>

### 8 Stocks

	2010 £	2009 £
Raw materials and consumables	279,473	153,733
Work in progress	13,559	78,916
Finished goods and goods for resale	154,017	174,326
	<hr/>	<hr/>
	447,049	406,975
	<hr/>	<hr/>

### 9 Debtors

	2010 £	2009 £
Trade debtors	346,537	346,036
Amounts owed by group undertakings	951,883	463,083
Prepayments and accrued income	15,843	18,102
Other debtors	-	35,564
Deferred tax asset	17,671	-
	<hr/>	<hr/>
	1,331,934	862,785
	<hr/>	<hr/>

**Notes (continued)**

**10 Creditors: Amounts falling due within one year**

	2010 £	2009 £
Trade creditors	127,864	128,719
Taxation and social security	18,790	52,363
Corporation tax	65,636	28,880
Accruals and deferred income	158,012	163,899
Other creditors	169,313	8,002
	<u>539,615</u>	<u>381,863</u>

**11 Provisions for liabilities and charges**

*Deferred taxation*

	2010 £	2009 £
At beginning of year	8,200	3,500
(Credit)/charge to profit and loss account	(25,871)	4,700
At end of year (2010 included with debtors)	<u>(17,671)</u>	<u>8,200</u>

The elements of deferred taxation are as follows

	£	£
Difference between accumulated depreciation and capital allowances	<u>(17,671)</u>	<u>8,200</u>

**12 Reconciliation of movements in shareholders' funds**

	2010 £	2009 £
Opening shareholders' funds	1,062,809	958,006
Profit for the financial year	340,449	104,803
Closing shareholders' funds	<u>1,403,258</u>	<u>1,062,809</u>

## Notes (continued)

### 13 Reserves

	Profit and loss account £
At beginning of year	1,062,807
Profit for the year	340,449
	<hr/>
At end of year	1,403,256
	<hr/>

### 14 Called up share capital

	2010 £	2009 £
<i>Allotted, called up and fully paid.</i>		
Equity		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

### 15 Acquisitions

On 1 August 2009 the Company acquired the trade and assets of the Ibex Rope Division from Marlow Ropes Limited

	Book value being fair value £
<b>Fixed assets</b>	
Tangible	235,380
<b>Current assets</b>	
Stock	295,660
Debtors	195,979
Cash	79,274
	<hr/>
<b>Total assets</b>	806,293
	<hr/>
<b>Liabilities</b>	
Creditors	(288,236)
	<hr/>
<b>Total liabilities</b>	(288,236)
	<hr/>
<b>Net assets</b>	518,057
	<hr/>
<b>Purchase consideration</b>	518,057
	<hr/>

## Notes (continued)

### 15 Acquisition (continued)

The assets and liabilities were acquired from Marlow Ropes Limited. Marlow Ropes Limited is a subsidiary of English Braids Limited, one of the joint venture partners. The purchase consideration was settled through the inter-company accounts.

### 16 Contingent liabilities

The company is party to a group registration for VAT. At the year end, the maximum liability under this arrangement was £339,961 (2009 £119,036).

### 17 Commitments

Annual commitments under non-cancellable operating leases are as follows

	Land and buildings	
	2010	2009
	£	£
Operating leases which expire		
Within one year	77,000	35,000

### 18 Related party disclosures

Goods and services amounting to £72,325 (2009 £52,034) were supplied to English Braids Limited and purchases from English Braids Limited amounted to £230,168 (2009 £187,506). All transactions were made in the normal course of business.

The company was charged £100,000 (2009 £27,000) for the use of plant and machinery owned by English Braids Limited.

English Braids Limited paid VAT liabilities of £202,321 (2009 £115,559) on behalf of Ibex Marina Ropes Limited, which was settled through the current account.

The balance on the current account with English Braids Limited as at 31 December 2010 was £969,766 (2009 £948,893).

The company was charged £77,000 (2009 £35,000) for rental of the business property by the EBL pension fund through the current account with English Braids Limited. PR Earp is a beneficiary of the EBL pension fund.

Goods and services amounting to £69,407 (2009 £101,289) were supplied to Marlow Ropes Limited, a fellow subsidiary of English Braids Limited, and purchases from Marlow Ropes Limited amounted to £29,452 (2009 £34,901). All transactions were made in the normal course of business.

The debit balance of the current account with Marlow Ropes Limited as at 31 December 2010 was £44,261 (2009 £150,770).

In 2009 the trade and assets of a division of Marlow Ropes Limited was transferred at net book value, being fair value, to Ibex Marina Limited (see note 15).

### 19 Ultimate parent company

The company is a joint venture between English Braids Limited, a company incorporated in Great Britain and Mr PR Earp. Copies of the English Braids Limited's financial statements are available from

Spring Lane  
Malvern  
Worcestershire  
WR14 1AL

**Notes** *(continued)*

**20 Ultimate controlling party**

The ultimate controlling party is Mr PR Earp, who is the sole director and who ultimately controls 100% of the share capital of the business