

Ibex Marina Ropes Limited
(formerly Marina Ropes Limited)

**Director's report and financial
statements**

Registered number 2194192
For the year ended 31 December 2009

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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 2009

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

On 22 July 2009, the company changed its name from Marina Ropes Limited to Ibex Marina Ropes Limited, in preparation for its acquisition of the trade and assets of the Ibex Ropes business from Marlow Ropes Limited

Proposed dividend

The director does not recommend the payment of a dividend (2008 £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 in office

On behalf of the board



PR Earp
Director

Spring Lane
Malvern
Worcestershire
WR14 1AL

29 September 2010

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 2009 set out on pages 5 to 13. 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 auditors

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 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/UKNP.

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 2009 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 auditors' report to the members of Ibex Marina Ropes Limited
(formerly 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

29 September 2010

Profit and loss account
for the year ended 31 December 2009

	<i>Note</i>	2009 £	2008 £
Turnover	<i>1</i>	1,513,767	1,104,840
Cost of sales		(1,019,349)	(800,476)
Gross profit		<u>494,418</u>	<u>304,364</u>
Distribution costs		(34,427)	(38,696)
Administrative expenses		(329,520)	(243,361)
Operating profit		<u>130,471</u>	<u>22,307</u>
Other interest receivable and similar income	<i>5</i>	32	894
Profit on sale of fixed assets		6,580	4,500
Interest payable		-	(2)
Profit on ordinary activities before taxation	<i>2</i>	<u>137,083</u>	<u>27,699</u>
Tax on profit on ordinary activities	<i>6</i>	(32,280)	(6,400)
Profit on ordinary activities after taxation being profit for the financial year		<u><u>104,803</u></u>	<u><u>21,299</u></u>

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

Balance sheet
at 31 December 2009

	<i>Note</i>	2009		2008	
		£	£	£	£
Fixed assets					
Tangible assets	7		152,337		28,032
Current assets					
Stocks	8	406,975		321,563	
Debtors	9	862,785		824,701	
Cash at bank and in hand		30,775		11,703	
		<u>1,300,535</u>		<u>1,157,967</u>	
Creditors Amounts falling due within one year	10	(381,863)		(224,493)	
Net current assets			<u>918,672</u>		<u>933,474</u>
Total assets less current liabilities			<u>1,071,009</u>		<u>961,506</u>
Provisions for liabilities and charges	11		(8,200)		(3,500)
Net assets			<u>1,062,809</u>		<u>958,006</u>
Capital and reserves					
Called up share capital	14		2		2
Profit and loss account	13		1,062,807		958,004
Shareholders' funds	12		<u>1,062,809</u>		<u>958,006</u>

These financial statements were approved and signed by the director on 29 September 2010



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

	2009 £	2008 £
United Kingdom	1,279,716	1,071,288
Export	234,051	33,552
	<u>1,513,767</u>	<u>1,104,840</u>

Notes (continued)

2 Profit on ordinary activities before taxation

	2009 £	2008 £
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration		
Audit of these financial statements	7,200	7,200
Depreciation and other amounts written off tangible fixed assets	110,259	27,840
Operating leases		
Plant and machinery	27,000	22,500
Other	35,000	35,000
	<u> </u>	<u> </u>

3 Remuneration of directors

The director received no emoluments during the year (2008 £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 2009	2008
Administration	7	6
Production	26	19
	<u> </u>	<u> </u>
	33	25
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows

	£	£
Wages and salaries	432,402	341,658
Social security costs	35,011	21,040
	<u> </u>	<u> </u>
	467,413	362,698
	<u> </u>	<u> </u>

5 Other interest receivable and similar income

	2009 £	2008 £
On cash at bank	32	894
	<u> </u>	<u> </u>

Notes (continued)

6 Tax on profit on ordinary activities

(i) Analysis of charge for the year

	2009 £	£	2008 £	£
<i>Current tax</i>				
Current tax on income for the year	27,580		9,300	
Adjustment in respect of prior year	-		2,600	
	<hr/>		<hr/>	
Total current tax		27,580		11,900
<i>Deferred tax (see note 11)</i>				
Origination/reversal of timing differences	4,700		(3,000)	
Adjustment in respect of prior years	-		(2,500)	
	<hr/>		<hr/>	
		4,700		(5,500)
		<hr/>		<hr/>
Tax charge on profit on ordinary activities		32,280		6,400
		<hr/>		<hr/>

(ii) Factors affecting the tax charge for the year

The current tax charge for the year is lower (2008 higher) than the standard rate of corporation tax in the UK of 28% (2008 28.5%). The differences are explained below

	2009 £	2008 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	137,083	27,699
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the rate of corporation tax in UK of 28% (2008 28.5%)	38,383	7,894
<i>Effects of</i>		
Depreciation for the year (greater)/less than capital allowances	(4,750)	5,455
Adjustment to tax charge in respect of previous periods	-	2,600
Expenses not deductible for tax purposes	483	2,052
Utilisation of tax losses	-	(2,649)
Tax rate lower than standard % rate on tax profits	(6,536)	(3,452)
	<hr/>	<hr/>
Total current tax charge	27,580	11,900
	<hr/>	<hr/>

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

The Emergency Budget on 22 June 2010 announced that the UK corporation tax rate will reduce from 28% to 24% over a period of 4 years from 2011. The first reduction in the UK corporation tax rate from 28% to 27% was substantively enacted on 20 July 2010 and will be effective from 1 April 2011. This will reduce the company's future current tax charge accordingly. If the rate change from 28% to 27% had been substantively enacted on or before the balance sheet date it would have had the effect of reducing the deferred tax liability recognised at that date by £293. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax liabilities accordingly.

Notes (continued)

7 Tangible fixed assets

	Plant and machinery	Fixtures, fittings, tools and computer equipment	Total
	£	£	£
Cost			
At beginning of year	423,861	54,703	478,564
Additions	159	264	423
Acquisition	152,799	82,581	235,380
Disposals	(2,609)	-	(2,609)
At end of year	574,210	137,548	711,758
Depreciation			
At beginning of year	398,662	51,870	450,532
Charge for year	31,325	78,934	110,259
Disposals	(1,370)	-	(1,370)
At end of year	428,617	130,804	559,421
Net book value			
At 31 December 2009	145,593	6,744	152,337
At 31 December 2008	25,199	2,833	28,032

8 Stocks

	2009 £	2008 £
Raw materials and consumables	153,733	52,567
Work in progress	78,916	94,978
Finished goods and goods for resale	174,326	174,018
	406,975	321,563

9 Debtors

	2009 £	2008 £
Trade debtors	346,036	151,211
Amounts owed by group undertakings	463,083	657,029
Prepayments and accrued income	18,102	16,461
Other debtors	35,564	-
	862,785	824,701

Notes (continued)

10 Creditors: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	128,719	74,847
Taxation and social security	52,363	29,379
Corporation tax	28,880	9,285
Accruals and deferred income	163,899	107,393
Other creditors	8,002	3,589
	<u>381,863</u>	<u>224,493</u>

11 Provisions for liabilities and charges

Deferred taxation

	2009 £	2008 £
At beginning of year	3,500	9,000
Charge/(credit) to profit and loss account	4,700	(5,500)
	<u>8,200</u>	<u>3,500</u>
At end of year	<u>8,200</u>	<u>3,500</u>

The elements of deferred taxation are as follows

	£	£
Accelerated capital allowances	<u>8,200</u>	<u>3,500</u>

12 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Opening shareholders' funds	958,006	936,707
Profit for the financial year	104,803	21,299
	<u>1,062,809</u>	<u>958,006</u>
Closing shareholders' funds	<u>1,062,809</u>	<u>958,006</u>

Notes (continued)

13 Reserves

	Profit and loss account £
At beginning of year	958,004
Profit for the year	104,803
	<hr/>
At end of year	1,062,807
	<hr/>

14 Called up share capital

	2009 £	2008 £
<i>Allotted, called up and fully paid</i>		
Equity		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

15 Acquisitions

On 1 August 2010 the Company acquired the trade and assets of the Ibex Rope Division from Marlow Ropes Limited

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

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

Notes (continued)

16 Contingent liabilities

The company is party to a group registration for VAT. At the year end, the maximum liability under this arrangement was £119,036 (2008 £107,192)

17 Commitments

Annual commitments under non-cancellable operating leases are as follows

	Land and buildings	
	2009	2008
	£	£
Operating leases which expire		
Within one year	35,000	35,000

18 Related party disclosures

Goods and services amounting to £52,034 (2008 £70,548) were supplied to English Braids Limited and purchases from English Braids Limited amounted to £187,506 (2008 £175,660). All transactions were made in the normal course of business.

The company was charged £27,000 (2008 £22,500) for the use of plant and machinery owned by English Braids Limited.

English Braids Limited paid VAT liabilities of £115,559 (2008 £132,567) on behalf of Marina Ropes Limited, which was settled through the current account.

The balance on the current account with English Braids Limited as at 31 December 2009 was £948,893 (2008 £614,003).

The company was charged £35,000 (2008 £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 £101,289 (2008 £76,313) were supplied to Marlow Ropes Limited, a fellow subsidiary of English Braids Limited, and purchases from Marlow Ropes Limited amounted to £34,901 (2008 £40,217). 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 2009 was £150,770 (2008 £7,613).

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

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.