

Registered number: 03177159

# **CRADLEY INTERNATIONAL LEASING LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018**



# **CRADLEY INTERNATIONAL LEASING LIMITED**

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# **CRADLEY INTERNATIONAL LEASING LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	K Broom J M Sutton
<b>Company secretary</b>	N Wignall Jennings
<b>Registered number</b>	03177159
<b>Registered office</b>	Gorsey Lane Widnes Cheshire WA8 0GG
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Hardman Square Manchester M3 3EB

## **CRADLEY INTERNATIONAL LEASING LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2018**

The directors present their annual report and the audited financial statements of Cradley International Leasing Limited (the "Company") for the year ended 30 April 2018.

#### **Directors**

The directors who served during the year and up to the date of signing the financial statements were:

K Broom  
J M Sutton

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, 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 directors 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.

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.

#### **Directors' confirmations**

In the case of each director in office at the date the Directors' Report is approved:

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

#### **Independent auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

**CRADLEY INTERNATIONAL LEASING LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 APRIL 2018**

**Small companies exemptions**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The company has taken the exemption under Section 414B of the Companies Act 2006 from preparing a Strategic Report.

This report was approved by the board and signed on its behalf by:



**K Broom**  
Director

Date: 22/11/2018

## **CRADLEY INTERNATIONAL LEASING LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRADLEY INTERNATIONAL LEASING LIMITED**

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Cradley International Leasing Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise the balance sheet as at 30 April 2018; the statement of income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

## **CRADLEY INTERNATIONAL LEASING LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRADLEY INTERNATIONAL LEASING LIMITED (CONTINUED)**

#### *Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 April 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

##### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

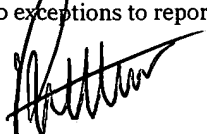
**CRADLEY INTERNATIONAL LEASING LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRADLEY INTERNATIONAL LEASING LIMITED (CONTINUED)**

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**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Philip Storer (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester

Date: 22 November 2018

**CRADLEY INTERNATIONAL LEASING LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 30 APRIL 2018**

	2018 £	2017 £
Administrative expenses	(2,398)	1,658
<b>Operating (loss)/profit</b>	<b>(2,398)</b>	<b>1,658</b>
Interest receivable and similar income	<b>807</b>	-
<b>(Loss)/profit before taxation</b>	<b>(1,591)</b>	<b>1,658</b>
Tax on (loss)/profit	<b>825</b>	(796)
<b>(Loss)/profit for the financial year</b>	<b>(766)</b>	<b>862</b>
<b>Retained earnings:</b>		
Retained earnings at the beginning of the financial year	<b>1,085,828</b>	1,084,966
(Loss)/profit for the financial year	<b>(766)</b>	862
<b>Retained earnings at the end of the financial year</b>	<b>1,085,062</b>	<b>1,085,828</b>
The notes on pages 9 to 13 form part of these financial statements.		

**CRADLEY INTERNATIONAL LEASING LIMITED**  
**REGISTERED NUMBER: 03177159**

**BALANCE SHEET**  
**AS AT 30 APRIL 2018**

	Note	2018 £	2017 £
<b>Current assets</b>			
Debtors	5	16,529,766	28,015,828
Cash at bank and in hand		279,709	474,393
		<u>16,809,475</u>	<u>28,490,221</u>
Creditors: amounts falling due within one year	6	(15,714,413)	(27,394,393)
<b>Net current assets</b>		<u>1,095,062</u>	<u>1,095,828</u>
<b>Total assets less current liabilities</b>		<u>1,095,062</u>	<u>1,095,828</u>
<b>Capital and reserves</b>			
Called up share capital		10,000	10,000
Profit and loss account		1,085,062	1,085,828
<b>Total shareholders' funds</b>		<u>1,095,062</u>	<u>1,095,828</u>

The financial statements on pages 7 to 13 have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**K Broom**  
 Director

Date: 22/11/2018

The notes on pages 9 to 13 form part of these financial statements.

## **CRADLEY INTERNATIONAL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018**

#### **1. General information**

Cradley International Leasing Limited (the "Company") is a private company limited by shares incorporated in the United Kingdom. The address of its registered office is: Gorsey Lane, Widnes, Cheshire, WA8 0GG.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied consistently throughout the year:

##### **2.2 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.3 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.4 Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

## **CRADLEY INTERNATIONAL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018**

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

##### **2.4 Financial instruments (continued)**

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **2.5 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.6 Foreign currency translation**

###### **Functional and presentation currency**

The company's functional and presentational currency is GBP.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'interest receivable and similar income' or 'interest payable and similar expenses'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'administrative expenses'.

##### **2.7 Interest income**

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

## **CRADLEY INTERNATIONAL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018**

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

##### **2.8 Current and deferred taxation**

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

#### **3. Auditors' remuneration**

Fees payable to the Company's auditors for the audit of the Company's annual financial statements totalled £1,000 (2017: £1,000).

Fees payable to the Company's auditors for other services are disclosed in the consolidated financial statements of the Company's ultimate parent company, Thomas Cradley Holdings Limited.

#### **4. Employees**

The average monthly number of employees, including directors, during the year was 2 (2017: 2).

# CRADLEY INTERNATIONAL LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018

### 5. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	16,529,737	28,015,828
Deferred taxation	29	-
	<u>16,529,766</u>	<u>28,015,828</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

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

	2018 £	2017 £
Amounts owed to group undertakings	15,714,414	27,393,597
Corporation tax	(1)	796
	<u>15,714,413</u>	<u>27,394,393</u>

The aggregate amount of creditors for which security has been given amounted to £15,714,414 (2017: £27,393,597). These are interest free and repayable on demand.

All other amounts owed to group undertakings are unsecured, interest free and repayable on demand.

### 7. Deferred taxation

	2018 £
Charged to profit or loss	29
At end of year	<u>29</u>

The deferred tax asset is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	<u>29</u>	<u>-</u>

### 8. Related party transactions

The company is exempt from disclosing related party transactions with other companies that are wholly owned within the Group and, under FRS 102 Section 1A, is exempt from disclosing the compensation of key management personnel. There are no other related party transactions requiring disclosure.

## **CRADLEY INTERNATIONAL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018**

#### **9. Ultimate parent undertaking and controlling party**

The immediate and ultimate parent company is Thomas Cradley Holdings Limited, a company registered in England and Wales.

Thomas Cradley Holdings Limited prepares group financial statements, and is the smallest and largest group to do so, and copies can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The company is ultimately wholly owned by Thomas Cradley Holdings Limited, which itself is owned by a series of trusts, with no single trust having a controlling interest. Members of the Sutton and Broadhurst families have beneficial interests through the trusts but no one family member has a controlling interest.