

Company registration number 04008116

**PLAND STAINLESS LIMITED**  
**FINANCIAL STATEMENTS**  
**31 JULY 2014**

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**PLAND STAINLESS LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2014**

<b>CONTENTS</b>	<b>PAGES</b>
Company information	1
Strategic report	2 to 3
Directors' report	4 to 5
Independent auditor's report to the shareholder	6 to 7
Profit and loss account	8
Balance sheet	9
Cash flow statement	10
Notes to the financial statements	11 to 20

# **PLAND STAINLESS LIMITED**

## **COMPANY INFORMATION**

<b>The board of directors</b>	I Hodgson S Duree
<b>Company secretary</b>	I Hodgson
<b>Registered office</b>	Ring Road Lower Wortley Leeds LS12 6AA
<b>Auditor</b>	Wheawill & Sudworth Limited Chartered Accountants & Statutory Auditor 35 Westgate Huddersfield West Yorkshire HD1 1PA
<b>Bankers</b>	HSBC Bank plc 2 Cloth Hall Street Huddersfield HD1 2ES
<b>Solicitors</b>	Schofield Sweeney LLP Church Bank House Church Bank Bradford BD1 4DY

# **PLAND STAINLESS LIMITED**

## **STRATEGIC REPORT**

### **YEAR ENDED 31 JULY 2014**

The directors present their report for the financial year ended 31 July 2014.

#### **Principal activity and business review**

The principal activity of the company during the year was the manufacture and sale of stainless steel products for the commercial market.

Order intake remained under pressure during the year, restricting any growth in turnover. Despite this the gross margin improved by 3% as a positive benefit of the cost reduction initiatives undertaken during 2012/13. The overall net return on activity was an acceptable result in still challenging market and economic conditions.

Other than working capital facilities, the business remained debt-free and it enjoyed a strong level of operating cash generation. This has been reinvested to produce further production efficiencies during the current year.

#### **Performance and developments during the year**

The directors re-evaluated the strategic direction of the business during the year. Various key initiatives were identified and resources have been focused on these to drive turnover growth and protect the gross margin.

#### **Principal risks and uncertainties**

The business remains exposed to a range of risk factors including public sector spending policies, the performance of various international economies and volatility in commodity prices and currencies.

These are managed through careful market and data analysis, sensible planning and early reaction to changes affecting the business.

#### **Financial instruments**

The company's principal financial instruments comprise bank balances, invoice financing, trade debtors and trade creditors. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no material exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances and invoice financing the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of invoice financing facilities and overdrafts if required.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both length of time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

#### **Research and development**

The company continues to take advantage of technical advances as they arise.

#### **Financial key performance indicators**

A range of KPIs, including order intake, margin achievement, production efficiency and collection of trade receivables, will continue to be monitored as part of the on-going management of the group's operations.

# **PLAND STAINLESS LIMITED**

## **STRATEGIC REPORT** *(continued)*

### **YEAR ENDED 31 JULY 2014**

#### **Outlook**

Based on current data, the directors anticipate some turnover growth during 2014/15 particularly in home markets. Sales-led costs are being invested to increase market share and to secure longer-term relationships with key customers. This will restrict immediate profitability but will provide a strong platform for future growth in both gross and net returns. These initiatives are being funded out of operating cash flow.

This report was approved by the board on 8 December 2014 and is signed on its behalf by:

**S Duree**  
**Director**



# **PLAND STAINLESS LIMITED**

## **DIRECTORS' REPORT**

### **YEAR ENDED 31 JULY 2014**

The directors present their report and the financial statements of the company for the year ended 31 July 2014.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £209,239. The directors have not recommended a dividend.

#### **Directors**

The directors who served the company during the year were as follows:

I Hodgson

S Duree

The directors had no interest as defined by the Companies Act 2006 in the share capital of the company during the year. The directors' interests in the ultimate holding company are disclosed in that company's financial statements.

#### **Directors' responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 year.

In preparing these 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;
- 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 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 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.

#### **Strategic report**

In accordance with Section 414C(11), Companies Act 2006, the following information required to be contained in this report is set out in the company's Strategic Report on page 2: principal activities, business review, future developments, financial risks and research and development.

# **PLAND STAINLESS LIMITED**

## **DIRECTORS' REPORT** *(continued)*

### **YEAR ENDED 31 JULY 2014**

#### **Auditor**

A resolution to re-appoint Wheawill & Sudworth Limited as auditors will be put to the shareholders at the Annual General Meeting.

#### **Statement of disclosure of information to auditors**

We, the directors of the company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditor is unaware; and
- we have taken all steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 8 December 2014 and is signed on its behalf by:



**S Duree**  
**Director**

# **PLAND STAINLESS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF PLAND STAINLESS LIMITED**

**YEAR ENDED 31 JULY 2014**

We have audited the financial statements of Pland Stainless Limited for the year ended 31 July 2014 on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholder, 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 shareholder 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 shareholder 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 4, 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 Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 July 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



# **PLAND STAINLESS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF PLAND STAINLESS LIMITED** *(continued)*

### **YEAR ENDED 31 JULY 2014**

#### **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.

*David Butterworth Ltd*

DAVID BUTTERWORTH (Senior  
Statutory Auditor)  
For and on behalf of  
WHEAWILL & SUDWORTH LIMITED  
Chartered Accountants  
& Statutory Auditor

35 Westgate  
Huddersfield  
West Yorkshire  
HD1 1PA

8 December 2014

**PLAND STAINLESS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 JULY 2014**

	Note	2014 £	2013 £
Turnover	2	3,631,709	3,637,781
Cost of sales		(1,653,726)	(1,744,651)
Gross profit		1,977,983	1,893,130
Administrative expenses		(1,854,927)	(1,766,996)
Other operating income		137,604	—
Operating profit	3	260,660	126,134
Attributable to:			
Operating profit before exceptional items		226,276	153,163
Exceptional items	3	34,384	(27,029)
		260,660	126,134
Interest receivable and similar income		88	—
Interest payable and similar charges	6	(10,283)	(12,512)
Profit on ordinary activities before taxation		250,465	113,622
Tax on profit on ordinary activities	7	(41,226)	(17,341)
Profit for the financial year	22	209,239	96,281

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 11 to 20 form part of these financial statements.

# PLAND STAINLESS LIMITED

## BALANCE SHEET

31 JULY 2014

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	8	<u>150,060</u>	<u>135,758</u>
<b>Current assets</b>			
Stocks	9	566,055	430,461
Debtors	10	4,005,999	3,807,340
Investments	11	3,100	3,100
Cash at bank and in hand		<u>191,958</u>	<u>20,870</u>
		<u>4,767,112</u>	<u>4,261,771</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(1,364,846)</u>	<u>(1,053,289)</u>
<b>Net current assets</b>		<u>3,402,266</u>	<u>3,208,482</u>
<b>Total assets less current liabilities</b>		<u>3,552,326</u>	<u>3,344,240</u>
<b>Creditors: Amounts falling due after more than one year</b>	13	(6,615)	(13,832)
<b>Provisions for liabilities</b>			
Deferred taxation	18	<u>(17,887)</u>	<u>(11,823)</u>
<b>Net assets</b>		<u><u>3,527,824</u></u>	<u><u>3,318,585</u></u>
<b>Capital and reserves</b>			
Called-up equity share capital	21	100,000	100,000
Profit and loss account	22	<u>3,427,824</u>	<u>3,218,585</u>
<b>Shareholder's funds</b>	23	<u><u>3,527,824</u></u>	<u><u>3,318,585</u></u>

These financial statements were approved by the directors and authorised for issue on 8 December 2014, and are signed on their behalf by:

I Hodgson  
Director



S Duree  
Director



Company Registration Number: 04008116

The notes on pages 11 to 20 form part of these financial statements.

**PLAND STAINLESS LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 JULY 2014**

	Note	2014 £	2013 £
Net cash inflow from operating activities	24	281,032	166,502
Returns on investments and servicing of finance	24	(10,016)	(13,659)
Taxation	24	(20,006)	(66,418)
Capital expenditure and financial investment	24	(72,898)	(18,050)
Cash inflow before use of liquid resources and financing		<u>178,112</u>	<u>68,375</u>
Financing	24	(7,024)	(62,295)
Increase in cash	24	<u>171,088</u>	<u>6,080</u>

The notes on pages 11 to 20 form part of these financial statements.

# PLAND STAINLESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2014

#### 1. Accounting policies

##### Basis of accounting

The financial statements have been prepared under the historical cost convention.

##### Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

##### Research and development

Research and development expenditure is written off in the year in which it is incurred.

##### Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Plant & Machinery	-	10 years
Motor Vehicles	-	4 years reducing balance
Computer Equipment	-	3 or 4 years

##### Stocks

Stocks are stated at the lower of cost and net realisable value.

##### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate.

##### Hire purchase and leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

##### Contributions to pension funds

The company operates defined contribution pension schemes. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

##### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

# PLAND STAINLESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2014

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

##### Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### Trade and other debtors

Trade and other debtors are recognised and carried forward at invoice amounts less provisions for any doubtful debts. Bad debts are written off when identified.

##### Interest-bearing loans and borrowings

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowing.

##### Investment income

Investment income comprises dividends and interest and is accounted for on a receivable basis.

##### Investments

Investments are included at cost less amounts written off. Profits or losses arising on disposal of fixed asset investments are treated as part of the result from ordinary activities.

#### 2. Turnover

The percentage of turnover attributable to overseas markets was 4.5% (2013: 5.2%).

#### 3. Operating profit

Operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Directors' emoluments (including pension contributions)	147,736	103,139
Depreciation of tangible fixed assets:		
- owned assets	54,097	56,449
- assets held under hire purchase agreements	5,199	904
Profit on disposal of fixed assets	(700)	(5,200)
Auditor's remuneration		
- as auditor	16,900	18,200
Operating lease costs:		
- land and buildings	195,433	199,664
- other	14,757	31,157
Exceptional staff costs	-	27,029
Exceptional staff costs - administrative expenses	103,220	-
Compensation	(137,604)	-

# PLAND STAINLESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2014

#### 4. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2014	2013
	No	No
Number of production staff	35	40
Number of administrative staff	11	12
Number of management staff	4	5
	<u>50</u>	<u>57</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	1,243,117	1,218,355
Social security costs	120,318	110,841
Other pension costs	28,869	23,285
Exceptional staff costs	—	27,029
Exceptional staff costs - administrative expenses	103,220	—
	<u>1,495,524</u>	<u>1,379,510</u>

#### 5. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Remuneration receivable	133,736	95,139
Value of company pension contributions to money purchase schemes	14,000	8,000
	<u>147,736</u>	<u>103,139</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2014	2013
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

#### 6. Interest payable and similar charges

	2014	2013
	£	£
Interest payable on bank borrowing	24	2,795
Finance charges	554	—
Invoice finance interest	8,477	8,168
Other interest	1,228	1,549
	<u>10,283</u>	<u>12,512</u>

# PLAND STAINLESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2014

#### 7. Taxation

##### (a) Analysis of charge in the year

	2014 £	2013 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2013 - 20%)	44,000	26,100
Over provision in prior year	(8,838)	(1,582)
Total current tax	<u>35,162</u>	<u>24,518</u>
Deferred tax:		
Origination and reversal of timing differences (note 18)		
Capital allowances	6,064	(7,177)
Tax on profit on ordinary activities	<u>41,226</u>	<u>17,341</u>

##### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2013 - 20%).

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>250,465</u>	<u>113,622</u>
Profit on ordinary activities by rate of tax	50,093	22,724
Expenses not deductible for tax purposes	95	512
Depreciation (less than)/ in excess of capital allowances	(6,064)	2,850
(Under)/over provision of current year	(126)	14
Adjustment to tax charge in respect of prior periods	(8,836)	(1,582)
Total current tax (note 7(a))	<u>35,162</u>	<u>24,518</u>



# PLAND STAINLESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2014

#### 8. Tangible fixed assets

	Plant & Machinery £	Motor Vehicles £	Computer Equipment £	Total £
<b>Cost or valuation</b>				
At 1 August 2013	1,065,439	40,695	56,335	1,162,469
Additions	22,823	–	50,775	73,598
Disposals	(3,000)	(18,995)	–	(21,995)
<b>At 31 July 2014</b>	<b>1,085,262</b>	<b>21,700</b>	<b>107,110</b>	<b>1,214,072</b>
<b>Depreciation</b>				
At 1 August 2013	951,366	19,899	55,446	1,026,711
Charge for the year	49,465	5,199	4,632	59,296
On disposals	(3,000)	(18,995)	–	(21,995)
<b>At 31 July 2014</b>	<b>997,831</b>	<b>6,103</b>	<b>60,078</b>	<b>1,064,012</b>
<b>Net book value</b>				
<b>At 31 July 2014</b>	<b>87,431</b>	<b>15,597</b>	<b>47,032</b>	<b>150,060</b>
At 31 July 2013	114,073	20,796	889	135,758

Certain items of plant and machinery were revalued in 2000 by independent valuers.

#### Hire purchase agreements

Included within the net book value of £150,060 is £15,597 (2013 - £20,796) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £5,199 (2013 - £904).

#### 9. Stocks

	2014 £	2013 £
Raw materials	90,644	59,669
Work in progress	311,174	241,701
Finished goods	164,237	129,091
	<b>566,055</b>	<b>430,461</b>

#### 10. Debtors

	2014 £	2013 £
Trade debtors	816,675	608,595
Amounts owed by group undertakings	3,057,888	3,057,888
Prepayments and accrued income	131,436	140,857
	<b>4,005,999</b>	<b>3,807,340</b>

The trade debtors are assigned to a third party which has given cash advances against this assignment.

The amounts owed by group undertakings are recoverable more than one year after the balance sheet date.

**PLAND STAINLESS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2014**

**11. Investments**

	2014	2013
	£	£
Listed investment	<u>3,100</u>	<u>3,100</u>

The market value of the listed investment at 31 July 2014 was £3,113 (2013: £2,444).

**12. Creditors: Amounts falling due within one year**

	2014	2013
	£	£
Invoice discounting facilities	345,770	253,657
Trade creditors	628,847	416,632
Corporation tax	41,256	26,100
PAYE and social security	28,870	21,993
VAT	124,334	183,234
Hire purchase agreements	7,217	7,024
Accruals and deferred income	188,552	144,649
	<u>1,364,846</u>	<u>1,053,289</u>

**13. Creditors: Amounts falling due after more than one year**

	2014	2013
	£	£
Hire purchase agreements	<u>6,615</u>	<u>13,832</u>

**14. Commitments under hire purchase agreements**

Future commitments under hire purchase agreements are as follows:

	2014	2013
	£	£
Amounts payable within 1 year	7,217	7,024
Amounts payable between 1 and 2 years	6,615	13,832
	<u>13,832</u>	<u>20,856</u>

# PLAND STAINLESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2014

#### 15. Loans and borrowings

	2014 £	2013 £
<b>Analysis of loans</b>		
Invoice discounting facilities	345,770	253,657
Hire purchase agreements	13,832	20,856
	<u>359,602</u>	<u>274,513</u>
<b>Maturity of debt</b>		
Within one year or less, or on demand	352,987	260,681
In more than one year, but not more than two years	6,615	7,150
In more than two years, but not more than five years	–	6,682
	<u>359,602</u>	<u>274,513</u>

#### 16. Pensions

The company operates defined contribution pension schemes for the benefit of the employees and directors. The assets of the schemes are administered by trustees in funds independent from those of the company.

The total contributions paid in the year amounted to £28,869 (2013: £23,285).

#### 17. Secured liabilities

	2014 £	2013 £
Aggregate amount of secured liabilities	<u>359,602</u>	<u>274,513</u>

#### 18. Deferred taxation

The movement in the deferred taxation provision during the year was:

	2014 £	2013 £
Provision brought forward	11,823	19,000
Profit and loss account movement arising during the year	6,064	(7,177)
Provision carried forward	<u>17,887</u>	<u>11,823</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2014 £	2013 £
Excess of taxation allowances over depreciation on fixed assets	17,887	11,823
	<u>17,887</u>	<u>11,823</u>

# PLAND STAINLESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2014

#### 19. Commitments under operating leases

At 31 July 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	2014		2013	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire:				
Within 1 year	-	5,351	4,725	1,621
Within 2 to 5 years	-	7,971	-	9,455
After more than 5 years	190,000	-	190,000	-
	<u>190,000</u>	<u>13,322</u>	<u>194,725</u>	<u>11,076</u>

#### 20. Contingencies

The company has entered into an unlimited multilateral guarantee arrangement in respect of the bank facilities of the group companies.

#### 21. Share capital

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

#### 22. Profit and loss account

	2014 £	2013 £
Balance brought forward	3,218,585	3,122,304
Profit for the financial year	<u>209,239</u>	<u>96,281</u>
Balance carried forward	<u>3,427,824</u>	<u>3,218,585</u>

#### 23. Reconciliation of movements in shareholder's funds

	2014 £	2013 £
Profit for the financial year	209,239	96,281
Opening shareholder's funds	<u>3,318,585</u>	<u>3,222,304</u>
Closing shareholder's funds	<u>3,527,824</u>	<u>3,318,585</u>

# PLAND STAINLESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2014

#### 24. Notes to the cash flow statement

##### Reconciliation of operating profit to net cash inflow from operating activities

	2014	2013
	£	£
Operating profit	260,660	126,134
Depreciation	59,296	57,353
Profit on disposal of fixed assets	(700)	(5,200)
(Increase)/decrease in stocks	(135,594)	74,167
(Increase)/decrease in debtors	(198,659)	278,579
Increase/(decrease) in creditors	296,029	(364,531)
Net cash inflow from operating activities	<u>281,032</u>	<u>166,502</u>

##### Returns on investments and servicing of finance

	2014	2013
	£	£
Interest received	88	—
Interest paid	(9,550)	(13,659)
Interest element of hire purchase agreements	(554)	—
Net cash outflow from returns on investments and servicing of finance	<u>(10,016)</u>	<u>(13,659)</u>

##### Taxation

	2014	2013
	£	£
Taxation	<u>(20,006)</u>	<u>(66,418)</u>

##### Capital expenditure and financial investment

	2014	2013
	£	£
Payments to acquire tangible fixed assets	(73,598)	(23,250)
Receipts from sale of fixed assets	700	5,200
Net cash outflow from capital expenditure	<u>(72,898)</u>	<u>(18,050)</u>

##### Financing

	2014	2013
	£	£
Repayment of bank borrowings	—	(83,151)
Capital element of hire purchase agreements	(7,024)	20,856
Net cash outflow from financing	<u>(7,024)</u>	<u>(62,295)</u>

**PLAND STAINLESS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2014**

**24. Notes to the cash flow statement (continued)**

**Reconciliation of net cash flow to movement in net funds**

	2014 £	2013 £
Increase in cash in the period	171,088	6,080
Net cash outflow from bank borrowings	–	83,151
Cash outflow/(inflow) in respect of hire purchase agreements	7,024	(20,856)
	<u>178,112</u>	<u>68,375</u>
Change in net funds	178,112	68,375
Net funds/(debt) at 1 August 2013	3,114	(65,261)
Net funds at 31 July 2014	<u>181,226</u>	<u>3,114</u>

**Analysis of changes in net funds**

	At 1 Aug 2013 £	Cash flows £	At 31 Jul 2014 £
Net cash:			
Cash in hand and at bank	20,870	171,088	191,958
Liquid resources:			
Current asset investments	3,100	–	3,100
Debt:			
Hire purchase agreements	(20,856)	7,024	(13,832)
Net funds	<u>3,114</u>	<u>178,112</u>	<u>181,226</u>

**25. Capital commitments**

The directors have confirmed that there were no capital commitments at 31 July 2014 or 31 July 2013.

**26. Ultimate parent company**

The company's parent company is Pland Group Holdings Limited and the company's financial statements are included in the consolidated financial statements of that company which are available from the Registrar of Companies.

**27. Ultimate controlling party**

There is no one controlling party of the group.