
THE DERITEND GROUP LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 December 2013

TUESDAY



A3H143A3

A22

23/09/2014

#156

COMPANIES HOUSE

THE DERITEND GROUP LIMITED

COMPANY INFORMATION

DIRECTORS	R K Hale S Smith
COMPANY SECRETARY	S Smith
REGISTERED NUMBER	04140677
REGISTERED OFFICE	Cyprus Street Off Upper Villiers Street Wolverhampton West Midlands WV2 4PB

THE DERITEND GROUP LIMITED

CONTENTS

	Page
Directors' Report	1
Strategic Report	2
Independent Auditors' Report	3 - 4
Profit and Loss Account	5
Statement of Total Recognised Gains and Losses	6
Note of Historical Cost Profits and Losses	6
Balance Sheet	7
Notes to the Financial Statements	8 - 20

THE DERITEND GROUP LIMITED

DIRECTORS' REPORT For the Year Ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

RESULTS

The loss for the year, after taxation, amounted to £489 thousand (2012 - loss £300 thousand).

DIRECTORS

The directors who served during the year were:

R K Hale
S Smith

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board on 19 September 2014 and signed on its behalf.



S Smith
Director

THE DERITEND GROUP LIMITED

STRATEGIC REPORT For the Year Ended 31 December 2013

INTRODUCTION

The Deritend Group Limited is a UK-leading provider of engineering asset management, maintenance and repair activities.

The company provides bespoke specialist services for organisations across a wide range of industries but predominantly in the water, power, metals and food and beverage sectors.

Operating across the UK the company aims to improve plant maintenance, increase efficiency and reduce costs for its customers.

For further details please visit the company's website: www.deritend.co.uk

On 4th July 2014 its parent company, Deritend Industries Limited successfully completed the sale of The Deritend Group Limited's sister company, Preformed Windings Limited to Clyde Blowers Capital. This will enable the group to use the proceeds to refocus The Deritend Group on its core strategic markets.

BUSINESS REVIEW

The company saw a fall in turnover in 2013 from £19.7m to £17.9m, this was partly as a result of the closure of a loss making business and partly due to a strategic move away from a number of unprofitable business sectors.

The resulting Operating loss of £166k was a marginal improvement on the loss in 2012.

However higher exceptional costs as a result of the business closure resulted in a loss for the financial year of £489k compared with £300k in 2012.

PRINCIPAL RISKS AND UNCERTAINTIES

The company has faced a number of difficulties in recent years in particular with some of its larger contracts. These challenges were met head-on in 2013 and actions taken to reduce the negative impact they were having.

The company is now in a much stronger position to build on its core competencies and strengths and is aiming to see a return to profitability in 2014.

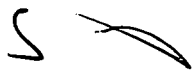
FINANCIAL KEY PERFORMANCE INDICATORS

Although sales fell in 2013 as noted above the company showed a modest improvement in gross profit margin and a substantial 9% reduction in overheads

OTHER KEY PERFORMANCE INDICATORS

The company continues to operate to high standards of quality to match the exacting requirements of its market.

This report was approved by the board on 19 September 2014 and signed on its behalf.



S Smith
Director

THE DERITEND GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE DERITEND GROUP LIMITED

We have audited the financial statements of The Deritend Group Limited for the year ended 31 December 2013, set out on pages 5 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 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 Auditors' 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, 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 Strategic Report and the Directors' 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 December 2013 and of its loss 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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

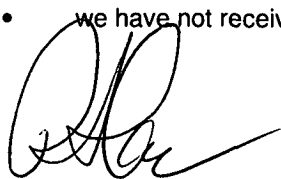
THE DERITEND GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE DERITEND GROUP LIMITED

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.



Ross Cocker FCA (Senior Statutory Auditor)

for and on behalf of
Clement Keys LLP

Chartered Accountants
Statutory Auditors

No. 8 Calthorpe Road
Edgbaston
Birmingham
B15 1QT

19 September 2014

THE DERITEND GROUP LIMITED

PROFIT AND LOSS ACCOUNT
For the Year Ended 31 December 2013

	Note	2013 £000	2012 £000
TURNOVER	1,2	17,870	19,729
Cost of sales		<u>(11,692)</u>	<u>(13,013)</u>
GROSS PROFIT		6,178	6,716
Administrative expenses		<u>(6,344)</u>	<u>(6,903)</u>
OPERATING LOSS	3	(166)	(187)
EXCEPTIONAL ITEMS			
Other exceptional items	7	<u>(208)</u>	<u>(83)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST		(374)	(270)
Interest receivable and similar income		338	375
Interest payable and similar charges	6	<u>(351)</u>	<u>(405)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(387)	(300)
Tax on loss on ordinary activities	8	<u>(102)</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR	19	<u>(489)</u>	<u>(300)</u>

All amounts relate to continuing operations.

The notes on pages 8 to 20 form part of these financial statements.

THE DERITEND GROUP LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the Year Ended 31 December 2013

	2013 £000	2012 £000
LOSS FOR THE FINANCIAL YEAR	(489)	(300)
Unrealised surplus/(deficit) on revaluation of tangible fixed assets	-	(595)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(489)	(895)

NOTE OF HISTORICAL COST PROFITS AND LOSSES
For the Year Ended 31 December 2013

	2013 £000	2012 £000
REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(387)	(300)
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	3	5
Realisation of valuation gains of previous periods	44	53
HISTORICAL COST LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(340)	(242)
HISTORICAL LOSS FOR THE YEAR AFTER TAXATION	(442)	(242)

The notes on pages 8 to 20 form part of these financial statements.

THE DERITEND GROUP LIMITED
Registered number: 04140677

BALANCE SHEET
As at 31 December 2013

	Note	£000	2013 £000	£000	2012 £000
FIXED ASSETS					
Intangible assets	9		1,413		1,529
Tangible assets	10		1,922		1,987
Investments	11		1		1
			<u>3,336</u>		<u>3,517</u>
CURRENT ASSETS					
Stocks	12	1,476		2,077	
Debtors: amounts falling due after more than one year	13	4,000		4,500	
Debtors: amounts falling due within one year	13	3,511		3,774	
Investments	14	-		179	
Cash at bank and in hand		232		112	
		<u>9,219</u>		<u>10,642</u>	
CREDITORS: amounts falling due within one year	15	<u>(4,916)</u>		<u>(5,520)</u>	
NET CURRENT ASSETS			<u>4,303</u>		<u>5,122</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,639</u>		<u>8,639</u>
CREDITORS: amounts falling due after more than one year	16		<u>(1,969)</u>		<u>(2,436)</u>
NET ASSETS			<u><u>5,670</u></u>		<u><u>6,203</u></u>
CAPITAL AND RESERVES					
Called up share capital	18		250		250
Revaluation reserve	19		138		185
Profit and loss account	19		5,282		5,768
SHAREHOLDERS' FUNDS	20		<u><u>5,670</u></u>		<u><u>6,203</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 September 2014.

R K Hale
Director



The notes on pages 8 to 20 form part of these financial statements.

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 2013

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold buildings and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 CASH FLOW

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 INTANGIBLE FIXED ASSETS AND AMORTISATION

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss Account over its estimated economic life.

Development costs relate to costs incurred in the development and 3D modelling of new gearbox design. It is the opinion of the directors that this project is commercially viable, there are adequate resources available to complete it and it is expected that the project will provide future benefits to the company.

This project costs incurred will be amortised over the useful economic life.

Amortisation is provided at the following rates:

Development expenditure	-	20% straight line
Goodwill	-	5% or 10% straight line

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Long term leasehold property	-	over the period of the lease
Plant and machinery	-	10 - 50% straight line

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 2013

1. ACCOUNTING POLICIES (continued)

1.6 REVALUATION OF TANGIBLE FIXED ASSETS

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and Loss Account.

1.7 INVESTMENTS

Investments held as fixed assets are shown at cost less provision for impairment.

1.8 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.9 OPERATING LEASES

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 2013

1. ACCOUNTING POLICIES (continued)

1.11 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.12 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

A geographical analysis of turnover is as follows:

	2013 £000	2012 £000
United Kingdom	17,854	19,638
Rest of European Union	12	72
Rest of world	4	19
	<hr/>	<hr/>
	17,870	19,729
	<hr/>	<hr/>

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

3. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2013	<i>2012</i>
	£000	<i>£000</i>
Amortisation - intangible fixed assets	116	<i>115</i>
Depreciation of tangible fixed assets:		
- owned by the company	170	<i>205</i>
- held under finance leases	9	<i>7</i>
Auditors' remuneration	13	<i>13</i>
Operating lease rentals:		
- plant and machinery	504	<i>513</i>
- other operating leases	170	<i>233</i>
Profit/loss on sale of tangible assets	(58)	<i>(21)</i>
	<hr/> <hr/>	<hr/> <hr/>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2013	<i>2012</i>
	£000	<i>£000</i>
Wages and salaries	5,881	<i>6,443</i>
Social security costs	603	<i>653</i>
Other pension costs	192	<i>213</i>
	<hr/> 6,676 <hr/>	<hr/> <i>7,309</i> <hr/>

The average monthly number of employees, including the directors, during the year was as follows:

	2013	<i>2012</i>
	No.	<i>No.</i>
Works	121	<i>154</i>
Administration	77	<i>81</i>
	<hr/> 198 <hr/>	<hr/> <i>235</i> <hr/>

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

5. DIRECTORS' REMUNERATION

	2013	<i>2012</i>
	£000	<i>£000</i>
Remuneration	217	<i>232</i>
	<hr/>	<hr/>
Company pension contributions to defined contribution pension schemes	54	<i>44</i>
	<hr/>	<hr/>

During the year retirement benefits were accruing to 2 directors (*2012 - 2*) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £111 thousand (*2012 - £133 thousand*).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £24 thousand (*2012 - £24 thousand*).

6. INTEREST PAYABLE

	2013	<i>2012</i>
	£000	<i>£000</i>
On bank loans and overdrafts	279	<i>321</i>
On other loans	69	<i>82</i>
On finance leases and hire purchase contracts	3	<i>2</i>
	<hr/>	<hr/>
	351	<i>405</i>
	<hr/>	<hr/>

7. EXCEPTIONAL ITEMS

	2013	<i>2012</i>
	£000	<i>£000</i>
Tribunal settlements	7	<i>-</i>
Staff costs - redundancy payments	75	<i>-</i>
Professional fees in respect of business advice	28	<i>22</i>
Professional fees in respect of restructuring and refinancing	48	<i>36</i>
Fees in respect of property valuation	-	<i>6</i>
Costs in respect of property disposal	50	<i>19</i>
	<hr/>	<hr/>
	208	<i>83</i>
	<hr/>	<hr/>

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

8. TAXATION

	2013 £000	2012 £000
ANALYSIS OF TAX CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax charge on loss for the year	-	-
DEFERRED TAX (see note 17)		
Origination and reversal of timing differences	102	-
TAX ON LOSS ON ORDINARY ACTIVITIES	102	-

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2012 - *higher than*) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%). The differences are explained below:

	2013 £000	2012 £000
Loss on ordinary activities before tax	(387)	(300)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	(90)	(74)
EFFECTS OF:		
Non-tax deductible amortisation of goodwill and impairment	27	16
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	31	47
Depreciation for period in excess of capital allowances	5	21
Profit on disposal of fixed assets	(14)	(5)
Losses carried forward	2	-
Group relief	39	-
Losses brought forward	-	(5)
CURRENT TAX CHARGE FOR THE YEAR (see note above)	-	-

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

In his budgets of 23 March 2011, 21 March 2012 and 20 March 2013, the Chancellor of the Exchequer proposed decreases in the rate of the UK corporation taxation from 28% to 20%, falling by 2% in both 2011 and 2012 with further reductions of 1% in 2013, 2% in 2014 and 1% in 2015 to reach a rate of 20% effective 1 April 2015. On 2 July 2013, the reduced taxation rate of 21% was enacted and, in accordance with accounting standards, this has been reflected in the recognised deferred taxation asset disclosure.

As the further reductions to 20% were not substantively enacted at the balance sheet date, these are not reflected in these financial statements.

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

9. INTANGIBLE FIXED ASSETS

	Develop- ment £000	Goodwill £000	Negative goodwill £000	Total £000
COST				
At 1 January 2013 and 31 December 2013	2	2,182	(865)	1,319
AMORTISATION				
At 1 January 2013	-	655	(865)	(210)
Charge for the year	-	116	-	116
At 31 December 2013	-	771	(865)	(94)
NET BOOK VALUE				
At 31 December 2013	2	1,411	-	1,413
At 31 December 2012	2	1,527	-	1,529

10. TANGIBLE FIXED ASSETS

	Freehold property £000	Long Term Leasehold Property £000	Plant & machinery, fixtures & fittings and motor vehicles £000	Total £000
COST OR VALUATION				
At 1 January 2013	1,274	511	2,210	3,995
Additions	-	4	113	117
Disposals	-	-	(389)	(389)
At 31 December 2013	1,274	515	1,934	3,723
DEPRECIATION				
At 1 January 2013	-	135	1,873	2,008
Charge for the year	17	51	111	179
On disposals	-	-	(386)	(386)
At 31 December 2013	17	186	1,598	1,801
NET BOOK VALUE				
At 31 December 2013	1,257	329	336	1,922
At 31 December 2012	1,274	376	337	1,987

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

10. TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2013	<i>2012</i>
	£000	<i>£000</i>
Plant and machinery	<u>69</u>	<u><i>26</i></u>

Cost or valuation at 31 December 2013 is as follows:

	Land and buildings £000
AT COST	980
AT VALUATION	
31 December 2013	<u>294</u>
	<u>1,274</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2013	<i>2012</i>
	£000	<i>£000</i>
Cost	980	<i>980</i>
Accumulated depreciation	(297)	<i>(277)</i>
Net book value	<u>683</u>	<u><i>703</i></u>

11. FIXED ASSET INVESTMENTS

	Listed investments £000
COST OR VALUATION	
At 1 January 2013 and 31 December 2013	<u>1</u>
NET BOOK VALUE	
At 31 December 2013	<u>1</u>
<i>At 31 December 2012</i>	<u><i>1</i></u>

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

11. FIXED ASSET INVESTMENTS (continued)

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
RMB Engineering Services Limited	Ordinary	100%

Name	Business	Country of incorporation
RMB Engineering Services Limited	Dormant	UK

LISTED INVESTMENTS

The market value of the listed investments at 31 December 2013 was £473 (2012 - £288).

12. STOCKS

	2013	2012
	£000	£000
Raw materials	162	200
Work in progress	665	1,096
Finished goods and goods for resale	649	781
	1,476	2,077

13. DEBTORS

	2013	2012
	£000	£000
DUE AFTER MORE THAN ONE YEAR		
Amounts owed by group undertakings	4,000	4,500
	2013	2012
	£000	£000
DUE WITHIN ONE YEAR		
Trade debtors	3,025	3,104
Amounts owed by group undertakings	165	60
Other debtors	18	18
Prepayments and accrued income	264	451
Deferred tax asset (see note 17)	39	141
	3,511	3,774

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

14. CURRENT ASSET INVESTMENTS

	2013	2012
	£000	£000
Property held for resale	-	179
	<u> </u>	<u> </u>

**15. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£000	£000
Bank loans and overdrafts	1,207	1,289
Net obligations under finance leases and hire purchase contracts	15	10
Trade creditors	2,610	2,695
Amounts owed to group undertakings	331	466
Other taxation and social security	506	671
Other creditors	102	225
Accruals and deferred income	145	164
	<u> </u>	<u> </u>
	4,916	5,520
	<u> </u>	<u> </u>

Included within bank loans and overdrafts is £1,071,000 (2012 - £1,083,000) secured by way of an all assets debenture.

Bank loans of £136,000 (2012: £206,000) are secured by a fixed charge over the company's land and buildings. The property loan is repayable by quarterly installments. Interest is charged at 1.9% above the base rate of interest.

The company, in conjunction with certain group companies, is party to a joint and several guarantee to secure balances due to bankers. At 31 December 2013 the amount of indebtedness was £1,276,000 (2012 - £1,218,000)

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

**16. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2013	2012
	£000	£000
Bank loans	340	628
Net obligations under finance leases and hire purchase contracts	29	8
Amounts owed to group undertakings	1,600	1,800
	<u> </u>	<u> </u>
	1,969	2,436
	<u> </u>	<u> </u>

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

16. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2013	<i>2012</i>
	£000	<i>£000</i>
Between one and five years	29	<i>8</i>
	<u>29</u>	<u><i>8</i></u>

The bank loans are secured by a fixed charge over the company's land and buildings. The property loan is repayable by quarterly installments. Interest is charged at 1.9% above the base rate of interest.

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

17. DEFERRED TAX ASSET

	2013	<i>2012</i>
	£000	<i>£000</i>
At beginning of year	141	<i>141</i>
Released during/(charged for) year (P&L)	(102)	<i>-</i>
	<u>39</u>	<u><i>141</i></u>
At end of year	<u>39</u>	<u><i>141</i></u>

The deferred tax asset is made up as follows:

	2013	<i>2012</i>
	£000	<i>£000</i>
Accelerated capital allowances	(11)	<i>92</i>
Tax losses carried forward	50	<i>49</i>
	<u>39</u>	<u><i>141</i></u>
	<u>39</u>	<u><i>141</i></u>

18. SHARE CAPITAL

	2013	<i>2012</i>
	£000	<i>£000</i>
ALLOTTED, CALLED UP AND FULLY PAID		
250,000 Ordinary shares of £1 each	250	<i>250</i>
	<u>250</u>	<u><i>250</i></u>
	<u>250</u>	<u><i>250</i></u>

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

19. RESERVES

	Revaluation reserve £000	Profit and loss account £000
At 1 January 2013	185	5,768
Loss for the financial year	-	(489)
Released on disposal of property	(44)	-
Transfer between Revaluation reserve and P/L account	(3)	3
	<u>138</u>	<u>5,282</u>
At 31 December 2013	<u>138</u>	<u>5,282</u>

20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £000	2012 £000
Opening shareholders' funds as previously stated	6,203	2,631
Prior year adjustments		4,520
Opening shareholders' funds (as restated)		<u>7,151</u>
Loss for the financial year	(489)	(300)
Other recognised gains and losses during the year	-	(595)
(Deficit) on the disposal of assets held for resale	(44)	(53)
	<u>5,670</u>	<u>6,203</u>
Closing shareholders' funds	<u>5,670</u>	<u>6,203</u>

21. CAPITAL COMMITMENTS

At 31 December 2013 the company had capital commitments as follows:

	2013 £000	2012 £000
Contracted for but not provided in these financial statements	<u>-</u>	<u>10</u>

22. PENSION COMMITMENTS

The company contributes to a defined contribution pension scheme in respect of certain employees. The assets of the scheme are held separately from those of the company in independently administered funds. The pension charge represents contributions payable by the company to the funds and amounted to £192,000 (2012: £213,000). At the year end an amount of £21,000 (2012: £23,000) was unpaid and included in other creditors.

THE DERITEND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2013

23. OPERATING LEASE COMMITMENTS

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2013	2012	2013	2012
	£000	£000	£000	£000
EXPIRY DATE:				
Within 1 year	42	-	80	51
Between 2 and 5 years	63	67	128	136
After more than 5 years	57	120	109	237

24. DIRECTORS' BENEFITS: ADVANCES, CREDIT AND GUARANTEES

At the year end each of the directors owed The Deritend Group Limited £5,000 (2012: £5,000 each). This was the maximum balance outstanding during the year and no interest is charged on the loans.

25. RELATED PARTY TRANSACTIONS

The company has taken the exemption under FRS 8 and it has not disclosed transactions with other group companies on the grounds that group accounts are prepared by the parent company.

During the year the company paid rental of £15,658 (2012: £20,000) to the Directors' SIPP Pension Scheme, The Davis Hale & Smith Group SIPP.

26. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

As at 31 December 2013, the ultimate parent company was Deritend Industries Limited, a company incorporated in Great Britain. No single party has a controlling interest in that company.

Deritend Industries Limited prepares consolidated financial statements which are available from Companies House.