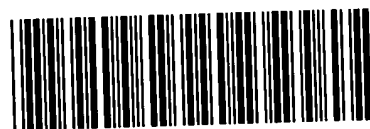


# **Ensinger Precision Engineering Limited**

## **Report and Financial Statements**

31 March 2017

THURSDAY



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30/11/2017

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COMPANIES HOUSE

**Directors**

K Ensinger  
R Reber  
P David  
G Davies  
T Maggs

**Auditors**

Ernst & Young LLP  
The Paragon  
Counterslip  
Bristol BS1 6BX

**Bankers**

HSBC plc  
97 Bute Street  
Cardiff CF10 5NA

**Solicitors**

Hugh James LLP  
114-116 St Mary St  
Cardiff, CF10 1DY

**Registered Office**

Ensinger  
Wilfried Way  
Tonyrefail  
Rhonda Cynon Taff CF39 8JQ

Registered No. 04628465

## Directors' report

The directors present their report and financial statements for the year ended 31 March 2017.

### Principal activity and review of the business

The company's principal activity during the year continued to be plastics engineering.

### Directors

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

K Ensinger  
R Reber  
G Davies  
P David  
T Maggs

### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

### Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

On behalf of the Board

T. Maggs

T Maggs  
Director

Date: 27 / 6 / 17

## Statement of directors' responsibilities

The directors are responsible for preparing the annual 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) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' applicable for smaller entities. 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 estimates that are reasonable and prudent; 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENSINGER PRECISION ENGINEERING LIMITED**

We have audited the financial statements of Ensinger Precision Engineering Limited for the year ended 31 March 2017 which comprise the Profit and Loss Account, the Statement of Changes in Equity, the Balance Sheet, and the related notes 1 to 10. 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), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Director's 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 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENSINGER PRECISION ENGINEERING LIMITED (CONT.)

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ▶ the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- ▶ the Directors' Report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' Report.

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.
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exception in preparing the Director's Report and in not preparing a Strategic Report

Ernst & Young LLP

Ken Griffin (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Bristol  
Date

27 June 2017

## Profit and loss account

for the year ended 31 March 2017

	Notes	2017 £	2016 £
<b>Turnover</b>		4,304,136	4,052,303
Cost of sales		(3,367,161)	(3,200,807)
<b>Gross profit</b>		936,975	851,496
Administrative expenses		(918,134)	(924,969)
<b>Profit/(loss) on ordinary activities before taxation</b>	2	18,841	(73,473)
Tax		27,020	23,337
<b>Profit/(loss) for the financial year</b>		<u>45,861</u>	<u>(50,136)</u>

All amounts relate to continuing operations.

## Statement of changes in equity

for the year ended 31 March 2017

	<i>Called-up share capital</i>	<i>Profit and loss account</i> £	<i>Total</i> £
At 1 April 2015	100	550,896	550,996
Loss for the year	–	(50,136)	(50,136)
Equity dividends	–	–	–
At 31 March 2016	<u>100</u>	<u>500,760</u>	<u>500,860</u>
Profit for the year	–	45,861	45,861
Equity dividends	–	–	–
At 31 March 2017	<u>100</u>	<u>546,621</u>	<u>546,721</u>



## Balance sheet

at 31 March 2017

	Notes	2017 £	2016 £
<b>Current assets</b>			
Stocks	5	583,378	521,982
Debtors	6	1,029,988	674,306
Cash at bank and in hand		43,234	81,785
		<u>1,656,600</u>	<u>1,278,073</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,109,879)</u>	<u>(777,213)</u>
<b>Net assets</b>		<u>546,721</u>	<u>500,860</u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Profit and loss account		<u>546,621</u>	<u>500,760</u>
<b>Shareholders' funds</b>		<u>546,721</u>	<u>500,860</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act.

These financial statements were authorised and approved for issue on behalf of the Board of Directors by

T. Maggs

T Maggs

Director

Date: 27/6/17

## Notes to the financial statements

at 31 March 2017

### 1. Accounting policies

Ensinger Precision Engineering Limited is a private company limited by share capital incorporated in England and Wales. The registered office is Ensinger, Wilfried Way, Tonyrefail, Mid Glamorgan, CF39 8JQ.

#### **Statement of compliance**

The company's financial statements have been prepared in accordance with FRS102– The Financial Reporting Standard applicable in the UK and Republic of Ireland. In complying with FRS102, the company has taken advantage of the reduced disclosures available to small entities in Section 1A of FRS102.

#### **Basis of preparation**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The functional currency of Ensinger Precision Engineering Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

#### **Going concern**

The directors consider that the use of going concern basis is appropriate because there are no material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern.

The company has considerable financial resources together with long-term contracts with a number of customers and suppliers across different geographic areas and industries. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The company is expected to continue to generate positive cash flows on its own account for the foreseeable future. The company participates in the group's centralised treasury arrangements and therefore shares banking arrangements with its parent and fellow subsidiaries.

The directors, having assessed the responses of the directors of the company's parent Ensinger Group Limited to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Ensinger group to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Ensinger Group Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus, they continue to prepare the annual financial statements on a going concern basis.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced in respect of goods sold and services provided during the year, exclusive of Value Added Tax. Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under these contracts.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress is valued on the basis of direct cost plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Research and Development**

Expenditure on research and development, to the extent that it does not meet the criteria of FRS102, is fully written off during the year as it is incurred.

## Notes to the financial statements

at 31 March 2017

### 1. Accounting policies (continued)

#### **Financial instruments**

Financial assets and liabilities are recognised/(derecognised) when the company becomes/(ceases to be) party to the contractual provisions of the instrument. The company holds the following financial assets and liabilities:

##### *- Short-term debtors and creditors*

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment ("doubtful debts") are recognised in the profit and loss account before operating profit.

#### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

#### **Pensions**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

#### **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible timing differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

## Notes to the financial statements

at 31 March 2017

### 1. Accounting policies (continued)

#### Critical accounting judgements

In the application of the company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following are the critical judgements and estimates that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- *Provision is made against slow moving or obsolete stock to reduce the carrying value to its estimate net realisable amount.*

### 2. Operating profit

This is stated after charging:

		2017	2016
		£	£
Auditors' remuneration	– as auditors	5,302	5,096
	– other services	1,202	1,654

### 3. Directors' remuneration

During the year the directors received remuneration of £52,083 (2016 – £43,248) in respect of qualifying services performed for the company. The directors remuneration has been paid by the immediate parent undertaking, Ensinger Group Limited.

The only Key Management Personnel are the directors. The aggregate compensation paid to them is the amount shown above.

### 4. Staff

The average monthly number of employees during the year was made up as follows:

	No.	No.
Administration and management	5	5
Sales	6	7
Production	51	52
	62	64

## Notes to the financial statements

at 31 March 2017

### 5. Stocks

	2017 £	2016 £
Raw materials	128,817	101,767
Work in progress	62,265	81,178
Finished goods	392,296	339,037
	<u>583,378</u>	<u>521,982</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

### 6. Debtors

	2017 £	2016 £
Trade debtors	814,157	628,041
Amounts owed by group undertakings	15,487	27,570
Deferred tax asset	1,244	1,092
Current corporation tax	27,167	–
Prepayments and accrued income	171,933	17,603
	<u>1,029,988</u>	<u>674,306</u>

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

	2017 £	2016 £
Trade creditors	50,359	81,707
PAYE and social security costs	43,872	39,980
VAT	133,023	106,396
Owed to group undertakings	882,625	549,130
	<u>1,109,879</u>	<u>777,213</u>

## Notes to the financial statements

at 31 March 2017

### 8. Issued share capital

<i>Allotted, called up and fully paid</i>	<i>No.</i>	2017	<i>No.</i>	2016
		£		£
Ordinary shares of £1 each	100	<u>100</u>	100	<u>100</u>

### 9. Other financial commitments

Total future minimum lease payments under non-cancellable operating leases as follows:

	2017		2016	
	<i>Land and buildings</i>	<i>Other</i>	<i>Land and buildings</i>	<i>Other</i>
	£	£	£	£
Within one year	82,150	183,265	82,150	202,569
Between two and five years	–	435,018	–	526,700
After five years	–	99,315	–	161,228
	<u>82,150</u>	<u>717,598</u>	<u>82,150</u>	<u>890,497</u>

### 10. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Ensinger Group Limited, a company registered in England and Wales. The directors regard Ensinger Holding GmbH & Co Kg, a company registered in Germany, as the ultimate parent undertaking and controlling party. Ensinger GmbH is controlled by the W Ensinger family.

Copies of the group financial statements of Ensinger Group Limited may be obtained from Companies House. Copies of the financial statements of Ensinger Holding GmbH & Co Kg are held at Rudolf Diesel Strasse, 71154 Nufringen.