

**Company Registration No. 04687227**

**Bridge Aluminium Limited**

**Report and Financial Statements**

**31 December 2014**

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# **Bridge Aluminium Limited**

## **Report and financial statements 2014**

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# **Bridge Aluminium Limited**

## **Report and financial statements 2014**

### **Officers and professional advisers**

#### **Directors**

D M O'Reilly  
P Begley

#### **Registered Office**

Caparo House  
103 Baker Street  
London  
W1U 6LN

#### **Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Birmingham, UK

# Bridge Aluminium Limited

## Strategic report

### Principal activity

The principal activity of the company continued to be the supply of high quality aluminium cast and machined components.

### Principal risks and uncertainties

There are a number of potential risks and uncertainties which could have an impact on the company's financial performance.

#### *Global, political and economic conditions*

The company has either sales or sourcing arrangements with various other countries throughout the world. Whilst the company benefits from the growth opportunities in these countries, it is similarly exposed to the economic, political and business risks associated with such international operations. Throughout its operations the company encounters different legal and regulatory requirements, including those for taxation, exchange control, environmental, operational and competitive matters.

Management monitor such risks and conditions, maintaining insurance cover and amending business procedures as appropriate to attempt to mitigate any exposure whilst remaining in compliance with local and group requirements.

#### *Foreign exchange*

The company makes sales to many countries, with a substantial proportion of the company's operating profit earned outside of the UK. As such the company is exposed to movements in exchange rates between sterling and other world currencies, particularly the Euro, which could adversely or positively impact results. The company takes out forward exchange contracts to limit any potential exposure.

#### *Raw material and energy prices*

The company's products and services utilise a range of raw materials, most notably aluminium. The company also requires substantial quantities of electricity and natural gas. The pricing for these raw material inputs is largely determined by international or national factors beyond the company's control or influence. Short term volatility in the pricing of such inputs and any decrease in availability can significantly impact the company's financial performance.

The Caparo Group, of which the company is a subsidiary, has developed strong relationships with its suppliers and uses contractual means where possible to minimise the risk.

#### *Litigation*

As with any business, the company is subject to the risk of litigation from third parties. The company seeks to address such claims proactively.

In accordance with accounting requirements, a provision is made where required to address such litigation and the consequent costs of defence.

#### *Environmental liabilities*

The company conducts its operations in such a manner as to ensure compliance with environmental laws and regulations. If events occur where actions are necessary to maintain compliance, the company will devote suitable resources to the issue in order to remedy the situation.

#### *Employees*

The company has a reliance on the management teams employed. The company recognises the importance of this resource and as such reviews its remuneration policy together with its recruitment policy on a regular basis in order to ensure the company continues to retain and attract the best possible management teams.

# Bridge Aluminium Limited

## Strategic report (continued)

### Review of the business and future developments

The company's profit and loss account is set out on page 7 and shows turnover for the year of £12,362,000 (2013: £13,639,000). Turnover dropped by 9.4% during 2014 due to customer programmes coming to an end which was partially compensated by new customer wins. Further detail of turnover by geographical area is given in note 2 to the financial statements.

The company made an operating loss for the year of £533,000 (2013: profit of £146,000) as administrative and distribution costs failed to decrease despite the fall in sales volumes.

No interim dividend was paid during the year (2013: £350,000). The directors do not recommend a final dividend for the year (2013: £nil).

The balance sheet as at 31 December 2014 shows 'total assets less current liabilities' of £1,623,000 (2013: £1,479,000) and shareholders' funds of £671,000 (2013: £1,112,000).

The directors have prepared profit and loss and cash flow forecasts for the period to June 2016 which indicates that the group and company are expected to trade within available facilities during the forecast period.

### Key performance indicators

Key performance indicators within the Caparo Group are specific to the nature of the operations of each business. This data is reported to divisional and Caparo Group senior management on a monthly basis.

The financial key performance indicators of the company include:

- Gross profit percentage at 14.2% (2013: 18.4%)
  - Operating profit percentage at (4.3%) (2013: 1.1%)
  - Working capital of (£209,000) (2013: (£956,000))
- Defined as: Net current liabilities excluding cash, tax, group and bank loans*

As at 31 December 2014, the reported key performance indicators continue to remain below expectations following difficult economic conditions and the reduction in trade with one of the company's largest customers. In addition to the above key performance indicators the company monitors other financial performance indicators on a monthly basis against forecasts and budgets including, but not limited to, material and contribution margins, working capital days and cash flows.

By order of the Board



D M O'Reilly  
Director

Date 29 JUNE 2015

# Bridge Aluminium Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014. The review of the business, including results and dividends for the year, and future developments, is included in the Strategic report.

### Employment of disabled persons

The company is an equal opportunity employer and makes every effort to ensure disabled people are not discriminated against on the grounds of their disability. In the event of staff becoming disabled, every effort is made to ensure that their employment continues and that appropriate training is arranged.

### Employee involvement

Employees are kept informed regarding the company's affairs and are consulted on a regular basis wherever feasible and appropriate.

### Financial instruments

Details of the financial risk management objectives and policies, and details of the use of financial instruments by the company, are provided in note 23 to the financial statements.

### Directors

The directors of the company during the year, and to the date of this report, were:

D M O'Reilly  
P Begley (appointed 15 August 2014)  
J C Pay (resigned 15 August 2014)

### Indemnity cover

Third party indemnity cover for the directors was in force during the financial year and at the year end.

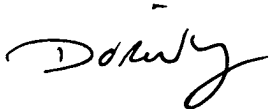
### Auditor

The current directors have taken all the steps that they ought to have taken to make themselves aware of the information needed by the company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming annual general meeting.

### By order of the Board



D M O'Reilly  
Director

Date 29 JUNE 2015

## **Bridge Aluminium Limited**

### **Directors' responsibilities statement**

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). 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 Bridge Aluminium Limited**

We have audited the financial statements of Bridge Aluminum Limited for the year ended 31 December 2014, which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 24. 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 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, 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 December 2014 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 Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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; or



Jane Whitlock (Senior statutory auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Birmingham, UK

30 June 2015



## Bridge Aluminium Limited

### Profit and loss account Year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Turnover	2	12,362	13,639
Cost of sales		(10,611)	(11,130)
<b>Gross profit</b>		<b>1,751</b>	<b>2,509</b>
Distribution costs		(1,521)	(1,595)
Administrative expenses		(763)	(768)
<b>Operating (loss)/profit</b>	5	<b>(533)</b>	<b>146</b>
Interest receivable and similar income	6	45	45
Interest payable and similar charges	7	(74)	(15)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(562)</b>	<b>176</b>
Tax on (loss)/profit on ordinary activities	8	121	(59)
<b>(Loss)/profit for the financial year</b>	19	<b>(441)</b>	<b>117</b>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account for the current year and prior year.

The notes on pages 9 to 20 form part of these financial statements.

# Bridge Aluminium Limited

## Balance sheet 31 December 2014

<i>Company number 04687227</i>	Note	2014 £'000	2014 £'000	2013 £'000	2013 £'000
<b>Fixed assets</b>					
Tangible assets	10		200		245
Investments	11		-		-
<b>Current assets</b>					
Stocks	12	691		953	
Debtors due within one year	13	2,853		2,516	
Debtors due after more than one year	13	1,411		1,427	
Cash at bank and in hand		515		1,058	
		<u>5,470</u>		<u>5,954</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(4,047)</u>		<u>(4,720)</u>	
<b>Net current assets</b>			<u>1,423</u>		<u>1,234</u>
<b>Total assets less current liabilities</b>			<u>1,623</u>		<u>1,479</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(754)		(362)
<b>Provisions for liabilities</b>	17		(198)		(5)
<b>Net assets</b>			<u><u>671</u></u>		<u><u>1,112</u></u>
<b>Capital and reserves</b>					
Called up share capital	18		25		25
Profit and loss account	19		646		1,087
<b>Shareholders' funds</b>	19		<u><u>671</u></u>		<u><u>1,112</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 JUNE 2015



D M O'Reilly  
Director

The notes on pages 9 to 20 form part of these financial statements.

# Bridge Aluminium Limited

## Notes to the financial statements

Year ended 31 December 2014

### 1. Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with United Kingdom Accounting Standards.

The following principal accounting policies have been applied:

#### *Basis of preparation*

The directors have prepared the financial statements on the going concern basis. In preparing the financial statements on this basis the directors have taken account of the following factors.

The overall cash requirements of the group are managed centrally. The directors have prepared profit and loss and cash flow forecasts for the period to June 2016 which indicates that the group and company are expected to trade within available facilities during the forecast period.

#### *Consolidated financial statements*

The company is exempt under section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent. These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### *Turnover*

Turnover, stated net of value added tax, represents amounts invoiced to third parties. Turnover is recognised when the risks and rewards of owning the goods have passed to the customer which is generally on delivery.

#### *Taxation*

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, 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 is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

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

Deferred tax is measured on a non-discounted basis.

# Bridge Aluminium Limited

## Notes to the financial statements (continued) Year ended 31 December 2014

### 1. Accounting policies (continued)

#### *Fixed assets and depreciation*

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

Plant and machinery	-	10% per annum
Fixtures and fittings	-	25% per annum
Computer equipment	-	33.3% per annum
Motor vehicles	-	25% per annum

#### *Investments*

Fixed asset investments are stated at historical cost less provision for any diminution in value.

#### *Leasing*

Assets acquired under finance leases are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element is charged to the profit and loss account over the term of the agreement.

Rentals in respect of operating leases are charged to the profit and loss account over the term of the agreement.

#### *Dividends*

Dividends are recognised when they become legally payable. In the case of interim dividends to shareholders this is when paid by the company. In the case of final dividends this is when approved by the shareholders.

#### *Stocks and work in progress*

Stocks are valued at the lower of cost and net realisable value. For work in progress and finished goods manufactured by the company, cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

#### *Foreign currencies*

Foreign currency transactions are translated at the rates ruling when they occurred.

Other monetary assets and liabilities denominated in foreign currencies are translated at year end rates, the exchange differences arising being taken to the profit and loss account.

#### *Pensions*

The company operates a group personal pension plan and a directors' executive pension plan. The pension charge represents the amounts payable by the company to the fund in respect of the year.

## Bridge Aluminium Limited

### Notes to the financial statements (continued)

Year ended 31 December 2014

#### 1. Accounting policies (continued)

##### *Provisions*

Provisions are created where the company has a present legal or constructive obligation to third parties as a result of a past event and it is probable that it will result in an outflow of economic benefits. The amount recognised as the provision is the best estimate of the expenditure required to settle the obligation at the balance sheet date. If the effect of discounting is material, provisions are discounted to the expected present value of their cash flows. The nature of these provisions are:

- a) Property provisions: Provisions made in respect of individual properties where there are obligations for onerous contracts and dilapidations.
- b) Restructuring provisions: Provisions are established for announced and ongoing restructuring programmes. The provision includes costs of severance, costs of property closure, and other direct expenditures.
- c) Environmental provisions: The group is exposed to environmental liabilities arising from its current operations.

The unwinding of the discount is included within the profit and loss statement as a financing charge.

##### *Financial risk management*

Exposure to movements in rates of foreign exchange in relation to trading transactions between the date that a contractual obligation is entered into and the date of completion of the contract is hedged through the use of currency asset and liability matching, forward exchange contracts and other financial instruments.

Exposure to movements in rates of foreign exchange in relation to the company's investments in overseas assets is reduced through the assumption of related liabilities in matching currencies where possible, and otherwise through the use of financial instruments where in the opinion of the directors to do so would be in the best interests of the company.

Gains and losses arising on derivative instruments to hedge the company's exposure to transactions in foreign currencies are recognised in the profit and loss account when the hedged transaction is completed.

Exposure to movements in interest rates is reviewed regularly by the directors. The company utilises financial instruments to limit the company's exposure to movements in interest rates where in the opinion of the directors the expected benefits of such arrangements exceed the expected costs or at the request of the company's lenders. Further information is provided in note 23 to the financial statements.

##### *Cash flow statement*

Under Financial Reporting Standard 1 'Cash Flow Statements' (FRS 1), the company is exempt from the requirement to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Caparo Group Limited and the company is included in the consolidated financial statements of Caparo Group Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

# Bridge Aluminium Limited

## Notes to the financial statements (continued) Year ended 31 December 2014

### 2. Turnover

The company's turnover is derived from its principal activity; an analysis by geographical market is as follows:

	2014 £'000	2013 £'000
United Kingdom	9,640	10,339
Rest of Europe	2,366	2,900
North America	335	381
Rest of the World	21	19
	<u>12,362</u>	<u>13,639</u>

### 3. Employees

	2014 £'000	2013 £'000
Staff costs, including directors, consist of:		
Wages and salaries	3,501	3,824
Social security costs	294	331
Pension costs (note 21)	106	86
	<u>3,901</u>	<u>4,241</u>

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

	2014 Number	2013 Number
Production and sales	143	148
Administration	7	7
	<u>150</u>	<u>155</u>

### 4. Directors' remuneration

No director received any remuneration during the current or prior year in relation to services provided to this company. The directors are remunerated by fellow subsidiary companies of Caparo Group Limited, the ultimate parent company.

# Bridge Aluminium Limited

## Notes to the financial statements (continued) Year ended 31 December 2014

### 5. Operating (loss)/profit

	2014 £'000	2013 £'000
This has been arrived at after charging:		
Depreciation of owned tangible fixed assets	55	70
Depreciation of assets held under finance leases	-	2
Operating lease rentals - plant	64	54
Rent payable	150	150
	<u>150</u>	<u>150</u>

The analysis of auditor's remuneration is as follows:

	2014 £'000	2013 £'000
Fees payable to the company's auditor for the audit of the company's annual accounts	3	4
	<u>3</u>	<u>4</u>

### 6. Interest receivable and similar income

	2014 £'000	2013 £'000
Bank interest	45	45
	<u>45</u>	<u>45</u>

### 7. Interest payable and similar charges

	2014 £'000	2013 £'000
Bank interest	74	15
	<u>74</u>	<u>15</u>

# Bridge Aluminium Limited

## Notes to the financial statements (continued) Year ended 31 December 2014

### 8. Tax on (loss)/profit on ordinary activities

	2014 £'000	2013 £'000
The taxation on (loss)/profit on ordinary activities comprises:		
<i>Current tax</i>		
Corporation tax on (loss)/profit for the year	(111)	47
Adjustments in respect of previous years	-	(3)
Total current tax (credit)/charge for the year	(111)	44
<i>Deferred tax (note 17)</i>		
Origination and reversal of timing differences	(10)	24
Adjustments in respect of previous years	-	(9)
	(10)	15
Taxation (credit)/charge on (loss)/profit on ordinary activities	(121)	59

The tax assessed for the year is different from the standard rate of corporation tax in the UK. The differences are explained below:

	2014 £'000	2013 £'000
(Loss)/profit on ordinary activities before tax	(562)	176
(Loss)/profit on ordinary activities at the standard rate of corporation tax in the UK of 21.50% (2013: 23.25%)	(121)	41
Effect of:		
Permanent differences	1	1
Capital allowances for the year less than depreciation	10	16
Other timing differences	(1)	(11)
Adjustments to current tax charge in respect of previous years	-	(3)
Current tax (credit)/charge for year	(111)	44

#### *Factors that may affect future tax charges*

In the 2013 Budget, issued on 20 March 2013, the Chancellor announced that the main rate of corporation tax would be reduced to 20% with effect from 1 April 2015. As this rate was enacted in the 2013 Finance Act, the deferred tax rate has been recognised at 20%.

Based on current capital investment plans, the company expects capital allowances to exceed depreciation in future years.



# Bridge Aluminium Limited

## Notes to the financial statements (continued) Year ended 31 December 2014

### 9. Dividends on equity shares

Amounts recognised as distributions to equity holders in the year:

	2014 £'000	2013 £'000
No interim or final dividend was paid for the year (2013: £14 per share interim)	-	350

### 10. Tangible assets

	Plant, machinery, fixtures and fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>			
At 1 January 2014	2,381	10	2,391
Additions	10	-	10
<b>At 31 December 2014</b>	<b>2,391</b>	<b>10</b>	<b>2,401</b>
<b>Depreciation</b>			
At 1 January 2014	2,136	10	2,146
Charge for the year	55	-	55
<b>At 31 December 2014</b>	<b>2,191</b>	<b>10</b>	<b>2,201</b>
<b>Net book value</b>			
<b>At 31 December 2014</b>	<b>200</b>	<b>-</b>	<b>200</b>
At 31 December 2013	245	-	245

### 11. Fixed asset investment

	Subsidiary undertaking £
<b>Cost and net book value</b>	
At 1 January and 31 December 2014	1

At 31 December 2014, the company's fixed asset investment comprised one wholly owned subsidiary undertaking, B A Machining Limited, a company incorporated and registered in England and Wales. The company did not actively trade in the current or previous year. At 31 December 2014 it had net liabilities of £344,000 (2013: £344,000).

# Bridge Aluminium Limited

## Notes to the financial statements (continued) Year ended 31 December 2014

### 12. Stocks

	2014 £'000	2013 £'000
Raw materials and consumables	66	56
Work in progress	230	244
Finished goods	395	653
	<u>691</u>	<u>953</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

### 13. Debtors

	2014 £'000	2013 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	1,592	1,137
Amounts owed by group undertakings	839	993
Corporation tax	111	-
Other debtors	144	45
Prepayments and accrued income	166	295
Other taxation and social security	1	46
	<u>2,853</u>	<u>2,516</u>
<b>Amounts falling due after more than one year:</b>		
Amounts owed by group undertakings	1,232	1,258
Deferred tax (note 17)	179	169
	<u>1,411</u>	<u>1,427</u>
<b>Total debtors</b>	<u><u>4,264</u></u>	<u><u>3,943</u></u>

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

	2014 £'000	2013 £'000
Bank loans, overdrafts and similar finance (note 16)	1,224	1,203
Trade creditors	2,305	2,764
Amounts owed to group undertakings	20	38
Corporation tax	-	47
Other taxation and social security	121	134
Accruals and deferred income	377	534
	<u>4,047</u>	<u>4,720</u>

# Bridge Aluminium Limited

## Notes to the financial statements (continued) Year ended 31 December 2014

### 15. Creditors: amounts falling due after more than one year

	2014 £'000	2013 £'000
Amounts owed to group undertakings	<u>754</u>	<u>362</u>

### 16. Bank loans, overdrafts and similar finance

Bank loans, overdrafts and similar finance are repayable as follows:	2014 £'000	2013 £'000
In one year or less	<u>1,224</u>	<u>1,203</u>

The bank loans, overdrafts and similar finance are secured by a charge over certain assets of the company and certain group companies, with interest being charged at commercial rates.

### 17. Provisions for liabilities and charges

The movement in the provisions during the year was:

	Other £'000	Dilapidation provisions £'000	Total £'000
At 1 January 2014	-	5	5
Charged to profit and loss account	<u>193</u>	<u>-</u>	<u>193</u>
<b>Liability at 31 December 2014</b>	<b><u>193</u></b>	<b><u>5</u></b>	<b><u>198</u></b>

In the opinion of the directors, the company will generate sufficient taxable profits in the future such that the future reversal of the underlying timing differences, which give rise to the deferred tax asset, will be deducted.

	Deferred tax asset £'000
At 1 January 2014	(169)
Movement in deferred tax provision	<u>(10)</u>
<b>At 31 December 2014</b>	<b><u>(179)</u></b>

Deferred tax is included in 'Debtors' in the balance sheet (note 13).

# Bridge Aluminium Limited

## Notes to the financial statements (continued) Year ended 31 December 2014

### 17. Provisions for liabilities and charges (continued):

Deferred tax comprised the following assets:

	2014 Provided £'000	2014 Unprovided £'000	2013 Provided £'000	2013 Unprovided £'000
Accelerated capital allowances	(174)	-	(163)	-
Short term timing differences	(5)	-	(6)	-
	<u>(179)</u>	<u>-</u>	<u>(169)</u>	<u>-</u>

### 18. Called up share capital

	2014 £'000	2013 £'000
<b>Called up, allotted and fully paid:</b>		
25,000 ordinary shares of £1 each	<u>25</u>	<u>25</u>

### 19. (a) Reserves

	Profit and loss account £'000
At 1 January 2014	1,087
Loss for the financial year	(441)
<b>At 31 December 2014</b>	<u><b>646</b></u>

### (b) Reconciliation of movements in shareholders' funds

	2014 £'000	2013 £'000
Opening shareholders' funds	1,112	1,345
(Loss)/profit for the financial year	(441)	117
Dividends (note 9)	-	(350)
<b>Closing shareholders' funds</b>	<u><b>671</b></u>	<u><b>1,112</b></u>

# Bridge Aluminium Limited

## Notes to the financial statements (continued)

Year ended 31 December 2014

### 20. Commitments and contingent liabilities

- (i) As at 31 December 2014, the company had no capital commitments which were contracted but not provided for (2013: £nil).
- (ii) Financial commitments at the end of the year were as follows:

	2014 £'000	2013 £'000
Foreign exchange contracts	-	191

The fair value of the foreign exchange contracts at the current and prior year end was immaterial.

- (iii) Annual commitments under non-cancellable operating leases are as follows:

	Land and buildings 2014 £'000	Other 2014 £'000	Land and buildings 2013 £'000	Other 2013 £'000
Operating leases which expire:				
Within one year	150	64	150	54

- (iv) The company is liable under cross guarantee arrangements, together with other group companies, for bank and certain loan facilities entered into by the companies. At 31 December 2014, this liability amounted to £37,060,937 (2013: £28,296,167).

### 21. Pension schemes

The company contributed to two defined contribution schemes. Firstly to the Personal Pension Plan and secondly to the Caparo Stakeholder Pension Plan, a UK defined contribution scheme invested through Mobius Life Limited. The pension charge in respect of these arrangements was £79,000 (2013: £68,000) and £27,000 (2013: £18,000) respectively. At 31 December 2014, employee contributions of £10,707 (2013: £10,000) were payable to the Personal Pension Plan and £4,255 (2013: £2,000) to the Caparo Stakeholder Pension Plan and are included in creditors.

### 22. Related party transactions

The company has taken advantage of the exemptions granted under Financial Reporting Standard 8 'Related Party Transactions', from disclosing transactions entered into between two or more members of a group provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

Transactions between two or more members of the group where any subsidiary undertaking party to those transactions is not wholly owned by a member of the group are considered immaterial and have not, therefore, been disclosed.

## **Bridge Aluminium Limited**

### **Notes to the financial statements (continued)**

**Year ended 31 December 2014**

#### **23. Financial instruments**

The company holds or issues financial instruments to finance its operations and enters into contracts to manage risks arising from those operations and its sources of finance in accordance with its accounting policies. Details of financial instruments held at the year end can be found in note 20.

Various financial instruments such as trade debtors and trade creditors arise directly from the company's operations.

The company performs rigorous credit checks for all customers, and credit insurance is obtained, where available, to minimise bad debt risk. Where credit insurance is not available, the company undertakes detailed credit evaluations of prospective customers, which are subject to group review and approval before supplies can be made.

Operations are financed by a mixture of retained profits, short term bank borrowings and term loans. Working capital requirements are funded principally out of short and longer term banking facilities and retained profits.

#### **24. Ultimate parent company and controlling parties**

The immediate parent company is GW957 Limited and the ultimate parent company is Caparo Group Limited, a company incorporated in the United Kingdom.

The largest group in which the results of the company are consolidated is that headed by Caparo Group Limited. The smallest group in which they are consolidated is that headed by Caparo Industries Plc. Copies of the consolidated accounts of Caparo Group Limited and Caparo Industries Plc are available from Companies House, Cardiff.

The Right Honourable The Lord Paul of Marylebone, The Honourable Ms Anjali Paul, The Honourable Ambar Paul, The Honourable Akash Paul and The Honourable Angad Paul, directors of Caparo Group Limited, are jointly and indirectly interested in the whole of the issued share capital of Caparo Group Limited through shareholdings registered in the name of Caparo International Corporation, a company registered in the British Virgin Islands. Caparo International Corporation ultimately holds the issued share capital of Caparo Group Limited on behalf of a series of family trusts.