

Company Registration No. 05192010 (England and Wales)

**OWEN SPRINGS LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



# OWEN SPRINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	D Grey MBE M Grey N Naylor
<b>Secretary</b>	V Richardson
<b>Company number</b>	05192010
<b>Registered office</b>	c/o OSL Cutting Technologies Burgess Road Sheffield S9 3WD
<b>Accountants</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU
<b>Business address</b>	Aldwarke Terrace Aldwarke Road Parkgate Rotherham South Yorkshire S62 6BX

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# OWEN SPRINGS LIMITED

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# **OWEN SPRINGS LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The directors present their annual report and financial statements for the year ended 31 December 2020.

#### **Principal activities**

The principal activities of the business are the manufacturing and factoring of Suspension Leaf Springs for Rail, HGV, LCV and Classic car Market. The manufacture of bespoke Spring Steel products and factoring of other related ancillary products.

Our products are produced and supplied, in the main, as ongoing maintenance replacement for the UK commercial vehicle car park and Rail haulage and Heritage fleets with a small volume to New Build. We reach the end user directly and through a network of Automotive aftermarket Distributors and Buying groups primarily in the U.K.

The business performed well throughout 2020, although sales revenue was lower than previous year. This was due entirely to the Covid-19 global pandemic. Ongoing development of partnerships with influential buying groups and distributors across the industry continued to provide additional revenue streams.

Continued uncertainty concerning Brexit and corresponding risk mitigation strategies were a key business focus during, particularly, the first half of 2020.

Although overall turnover decreased from £4,182,000 in 2019 to £3,727,000, our continued focus on increasing manufacturing efficiencies and reduction in our cost of materials bore continued year on year improvement with operating profit improving from £380,000 to £600,000. That fed through to our profit before tax improving from £378,000 to £601,000.

The Company is not dependent upon any single customer or supplier. The Company trades in foreign currencies, primarily the Euro and to a lesser extent the US Dollar.

Looking forward to the end of 2021, as I write this report, I can confirm that whilst the Covid-19 pandemic has detrimentally impacted top line revenue, the business has taken various precautionary measures to protect working capital. Cash remains positive and the Directors are very confident that the business will deliver a profitable year.

The Company is aware of its impact on the environment, and in all its activities considers the environmental impact of its decisions as it seeks to attain its business objectives. Our focus remains on manufacturing efficiencies.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Grey MBE  
P G Benjamin  
M Grey  
N Naylor

(Resigned 31 March 2020)

# OWEN SPRINGS LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Small companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

D Grey MBE  
Director

A handwritten signature in black ink, appearing to read 'D Grey', written in a cursive style.

23 September 2021

# OWEN SPRINGS LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £'000	2019 £'000
Turnover	2	3,727	4,182
Cost of sales		(2,082)	(2,549)
<b>Gross profit</b>		<b>1,645</b>	<b>1,633</b>
Administrative expenses		(1,005)	(1,157)
Other operating income	2	133	-
Management charges	3	(115)	(96)
Exceptional items	3	(58)	-
<b>Operating profit</b>		<b>600</b>	<b>380</b>
Interest receivable and similar income		1	-
Interest payable and similar expenses		-	(2)
<b>Profit before taxation</b>		<b>601</b>	<b>378</b>
Taxation	5	(21)	(39)
<b>Profit for the financial year</b>		<b>580</b>	<b>339</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>580</b>	<b>339</b>
Retained earnings at 1 January 2020		1,192	1,153
Dividends		-	(300)
<b>Retained earnings at 31 December 2020</b>		<b>1,772</b>	<b>1,192</b>

# OWEN SPRINGS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	6		150		206
<b>Current assets</b>					
Stocks	7	600		847	
Debtors	8	651		694	
Cash at bank and in hand		1,062		87	
		2,313		1,628	
<b>Creditors: amounts falling due within one year</b>	9	(690)		(627)	
<b>Net current assets</b>			1,623		1,001
<b>Total assets less current liabilities</b>			1,773		1,207
<b>Provisions for liabilities</b>			(1)		(15)
<b>Net assets</b>			1,772		1,192
<b>Capital and reserves</b>					
Profit and loss reserves			1,772		1,192

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to small companies.

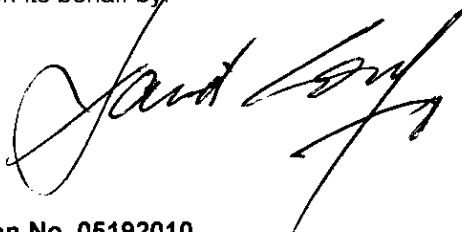
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23 September 2021 and are signed on its behalf by:

D Grey MBE  
Director



Company Registration No. 05192010

# OWEN SPRINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Company information

Owen Springs Limited is a private company limited by shares incorporated in England and Wales. The registered office is Burgess Road, Attercliffe, Sheffield, S9 3WD.

The business address is Aldwarke Terrace, Aldwarke Road, Parkgate, Rotherham, South Yorkshire, S62 6BX. The company's registration number is 05192010.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Owen Springs Limited is a wholly owned subsidiary of OSL Group Holdings Limited and the results of Owen Springs Limited are included in the consolidated financial statements of OSL Group Holdings Limited which are available from Burgess Road, Attercliffe, Sheffield, S9 3WD.

##### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20-33% straight line
Plant and machinery	10-20% straight line
Fixtures, fittings & equipment	10-33% straight line
Motor vehicles	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.



# OWEN SPRINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

##### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Cost is calculated using the weighted average cost method. A provision is made for damaged, obsolete and slow-moving stock where appropriate.

##### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# OWEN SPRINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.9 Taxation

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

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# OWEN SPRINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1 Accounting policies

(Continued)

##### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

##### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 2 Turnover and other revenue

In the year 5% (2019 - 8%) of the company's turnover was to markets outside of the United Kingdom.

Other income includes government grants in relation to covid support.

#### 3 Exceptional items

	2020 £'000	2019 £'000
<b>Expenditure</b>		
Management charges	115	96
Redundancy and reorganisation costs	58	-
	<u>173</u>	<u>96</u>

Due to COVID, in 2020 the company made a number of employees redundant which resulted in redundancy costs of £58,000. This has been included as an exceptional item.

#### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 32 (2019 - 39).

	2020 Number	2019 Number
Total	<u>32</u>	<u>39</u>

#### 5 Taxation

	2020 £'000	2019 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current period	41	41
Adjustments in respect of prior periods	(6)	-
Total current tax	<u>35</u>	<u>41</u>

# OWEN SPRINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

5	Taxation	(Continued)		
	Deferred tax			
	Origination and reversal of timing differences		(14)	(2)
	Total tax (credit)/charge		21	39
6	Tangible fixed assets			
		Land and buildings	Plant and machinery etc	Total
		£'000	£'000	£'000
	Cost			
	At 1 January 2020	40	578	618
	Additions	3	10	13
	Disposals	-	(12)	(12)
	At 31 December 2020	43	576	619
	Depreciation and impairment			
	At 1 January 2020	14	398	412
	Depreciation charged in the year	5	62	67
	Eliminated in respect of disposals	-	(10)	(10)
	At 31 December 2020	19	450	469
	Carrying amount			
	At 31 December 2020	24	126	150
	At 31 December 2019	26	180	206
7	Stocks			
			2020	2019
			£'000	£'000
	Raw materials and consumables		228	263
	Work in progress		9	25
	Finished goods and goods for resale		363	559
			600	847

# OWEN SPRINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 8 Debtors

	2020	2019
	£'000	£'000
<b>Amounts falling due within one year:</b>		
Trade debtors	596	649
Amounts owed by group undertakings	21	-
Prepayments and accrued income	34	45
	<u>651</u>	<u>694</u>

Included in trade debtors is an amount of £573,000 (2019 - £645,000), which is subject to an invoice discount agreement.

#### 9 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Loans and overdrafts	-	55
Trade creditors	307	343
Amounts due to fellow group undertakings	46	-
Corporation tax	41	41
Other taxation and social security	214	111
Other creditors	9	6
Accruals and deferred income	73	71
	<u>690</u>	<u>627</u>

Included in bank loans and overdrafts is £nil (2019 - £55,000) which has been advanced under invoice discounting and is secured over the debts to which the finance relates.

#### 10 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities
	2020	2019
	£'000	£'000
<b>Balances:</b>		
Accelerated capital allowances	<u>1</u>	<u>15</u>

# OWEN SPRINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Deferred taxation

(Continued)

	2020 £'000
<b>Movements in the year:</b>	
Liability at 1 January 2020	15
Credit to profit or loss	(14)
Liability at 31 December 2020	1

The deferred tax liability set out above is expected to reverse within 4 years and relates to accelerated capital allowances that are expected to mature within the same period.

### 11 Called up share capital

	2020 £	2019 £
<b>Allotted, issued and fully paid</b>		
1 Ordinary share of £1	1	1

### 12 Financial commitments, guarantees and contingent liabilities

The company has given an unlimited cross guarantee in favour of Barclays, in respect of bank borrowings of fellow group companies. The outstanding borrowings of these companies at 31 December 2020 were £2,129,000 (2019 - £2,710,000).

### 13 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £'000	2019 £'000
Within one year	97	104
Between two and five years	268	289
In over five years	26	89
	391	482

### 15 Parent company

The ultimate parent company is OSL Group Holdings Limited, a company registered in England & Wales, who prepare group consolidated accounts. Its registered office is Burgess Road, Attercliffe, Sheffield, S9 3WD.

The ultimate controlling party is D Grey MBE who owns a majority shareholding in OSL Group Holdings Limited.