

Goodfellow Research Materials Limited

Directors' report and Financial Statements

For the Year ended

30 June 2013

Company Number 06490811

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Goodfellow Research Materials Limited

Directors' report and financial statements for the year ended 30 June 2013

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Directors

S C Aldersley
A P Jordan (resigned 22 November 2013)
I Shirley
J E Stoner

Company secretary and registered office

I Shirley, Units C1 and C2, Spitfire Close, Ermine Business Park, Huntingdon, Cambridgeshire, PE29 6WR

Company number

06490811

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Goodfellow Research Materials Limited

Directors' report for the year ended 30 June 2013

The directors present their report together with the audited financial statements of the company for the year ended 30 June 2013

Results and dividends

The profit on ordinary activities for the financial year, after taxation, was £809,000 (2012 £1,310,000) and the net asset position at the period end was £624,000 (2012 £733,000) Dividends of £918,000 were proposed and paid during the year (2012 £1,500,000)

Principal activities

The company acts as a holding company for its subsidiaries and holds the debt of the Goodfellow Group of Companies

Business review and future development

The directors are satisfied with the performance of the company during the year ended 30 June 2013

As a holding company, the principal risks, financial risk management and key performance indicators adopted by its subsidiaries are applicable to the management of its investment in Goodfellow Group Limited and are detailed in the Directors' Report of the financial statements for Goodfellow Group Limited for the year ended 30 June 2013 For this reason the company's directors believe that analysis using key performance indicators for the company is not necessary

In addition, the holding company also takes the risk of impairment of its investment in its subsidiaries This risk is directly related to the performance of the subsidiaries The company's investments are set out in note 7

On the 22 November 2013 the entire share capital of the company's UK parent company, Goodfellow Holdings Limited, was purchased by Metals & Materials Limited, a company incorporated in the UK

The directors expect the company to continue to act as a holding company for the foreseeable future

Principal risks and uncertainties

In addition to the principal risks adopted by its subsidiaries, the directors consider the significant risks to the company to also include the following

Financial risk management

Interest rate risk

The company is exposed to changes in bank interest rates The directors have mitigated this risk by entering into an interest rate swap agreement which is held in Goodfellow Group Limited, a fellow Goodfellow Group undertaking Details of this interest rate swap agreement are disclosed within the financial statements of Goodfellow Group Limited

Charitable and political donations

The company made no political or charitable contributions during the year (2012 £nil)

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were

S C Aldersley
A P Jordan (resigned 22 November 2013)
I Shirley
J E Stoner

Goodfellow Research Materials Limited

Directors' report for the year ended 30 June 2013 (Continued)

Qualifying third-party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Statement of directors' responsibilities

The directors are responsible for preparing 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 prepared 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,
- 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.

Statement of disclosure of information to auditors

In the case of each director in office at the date the Directors' report is approved under Section 418 of the Companies Act 2006, the following applies:

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



I Shirley
Director
27 February 2014

Goodfellow Research Materials Limited

Independent auditors' report to the members of Goodfellow Research Materials Limited

We have audited the financial statements of Goodfellow Research Materials Limited for the year ended 30 June 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Directors' report and Financial Statements 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 30 June 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Goodfellow Research Materials Limited

Independent auditors' report to the members of Goodfellow Research Materials Limited (Continued)

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



Neil Philpott (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
27 February 2014

Goodfellow Research Materials Limited

Profit and loss account for the year ended 30 June 2013

	Note	2013 £'000	2012 £'000
Income from shares in group undertakings		1,831	1,976
Interest payable and similar charges	4	(1,331)	(891)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		500	1,085
Tax on profit on ordinary activities	5	309	225
		<hr/>	<hr/>
Profit for the financial year		809	1,310
		<hr/>	<hr/>

All amounts relate to continuing activities

There is no difference between the profit on ordinary activities before taxation and the profit for the financial years above and their historical cost equivalents

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented

Goodfellow Research Materials Limited

Balance sheet as at 30 June 2013

Company number: 06490811	Note	2013 £'000	2013 £'000	2012 £'000	2012 £'000
Fixed assets					
Investments	7		7,865		7,865
					7,865
Current assets					
Debtors	8	10,078		7,939	
				7,939	
Creditors: amounts falling due within one year	9	(17,319)		(9,601)	
Net current liabilities			(7,241)		(1,662)
Total assets less current liabilities			624		6,203
Creditors: amounts falling due after more than one year	10		-		(5,470)
Net assets			624		733
Capital and reserves					
Called up share capital	11		1		1
Profit and loss account	12		623		732
Total shareholders' funds	13		624		733

The financial statements on pages 5 to 12 were approved by the Board of Directors on 27 February 2014 and were signed on its behalf by



I Shirley
Director
27 February 2014

Goodfellow Research Materials Limited

Notes to the financial statements for the year ended 30 June 2013

1 Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Group financial statements

The financial statements contain information about Goodfellow Research Materials Limited as an individual company and do not contain consolidated information as the parent of the group. The directors have taken advantage of the provisions of Section 400 of the Companies Act 2006 which provide exemption from the preparation of group financial statements by virtue of the results being included in the consolidated financial statements of its parent company, Goodfellow Holdings Limited, a company registered in England And Wales.

Fixed asset investments

Investments in shares of subsidiary undertakings are included at cost less any provision for diminution in value. A provision for impairment is made when the future discounted cash flows arising from the investment are less than the carrying value. Investment income includes dividends and interest receivable. Dividends are included in income when approved by the paying company during the year.

Borrowings

All borrowings are initially stated at the fair value of the consideration received after the deduction of loan issue costs. In accordance with FRS 4, these costs are charged to the profit and loss account at a constant rate over the estimated life of the relevant borrowings.

Cash Flow Statement

The company is a wholly owned subsidiary of Goodfellow Holdings Limited, and the cash flows of the company are included in the consolidated group cash flow statement of that company which is publicly available. Consequently, the company is exempt under the terms of Financial Reporting Standard Number 1 (Revised 1996) from publishing a cash flow statement.

Taxation

The charge for taxation is based on the results for the year and takes into account deferred taxation. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more in tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted. 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 an undiscounted basis.

Goodfellow Research Materials Limited

Notes to the financial statements for the year ended 30 June 2013 (continued)

2 Profit on ordinary activities before taxation

The audit fee for the Goodfellow Group is borne by Goodfellow Cambridge Limited, a fellow Goodfellow Group subsidiary and is not recharged

The company has no employees, other than directors (2012 nil)

3 Directors

The directors' emoluments are paid by Goodfellow Holdings Limited, a company which makes no recharge to the company. The directors are directors of Goodfellow Holdings Limited and its subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the companies. The directors' emoluments are disclosed in the financial statements of Goodfellow Holdings Limited

4 Interest payable and similar charges

	2013 £'000	2012 £'000
Bank interest	248	264
Amortisation of issue costs and accretion of redemption premiums	1,083	627
	<u>1,331</u>	<u>891</u>

Subsequent to the year end, the existing bank loans were settled in full and a new loan facility was undertaken as part of a wider refinancing of the group. As a result, amortisation of the issue costs of the existing loan were accelerated in line with the remaining period to refinancing

5 Tax on profit on ordinary activities

	2013 £'000	2012 £'000
<i>Current tax</i>		
UK corporation tax credit on profits of the year	(316)	(227)
Adjustments in respect of prior years	7	2
	<u>(309)</u>	<u>(225)</u>
Tax on profit on ordinary activities		

Goodfellow Research Materials Limited

Notes to the financial statements for the year ended 30 June 2013 (continued)

5 Tax on profit on ordinary activities (continued)

The tax assessed for the year is lower (2012 lower) than the standard effective rate of corporation tax in the UK for the year ended 30 June 2013 of 23.75% (2012 25.5%). The differences are explained below

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	500	1,085
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.75% (2012 25.5%)	119	277
Effects of		
Income not taxable	(435)	(504)
Adjustments in respect of prior year	7	2
Current tax credit for the year	(309)	(225)

Factors affecting future tax charges

A change in the rate of Corporation tax from 24% to 23% from 1 April 2013 was included in the Finance Act 2012 and substantively enacted on 2 July 2012

In addition to the changes in rates of Corporation tax disclosed above further changes to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2013 on the 2 July 2013. These include reductions to the main rate to reduce the rate from 21% from 1 April 2014 and to 20% from 1 April 2015. As the changes had not been substantively enacted at the balance sheet date their effects are not included in these financial statements

6 Dividends

	2013 £'000	2012 £'000
Dividends paid of £918 (2012 £1,500) per ordinary share	918	1,500

Goodfellow Research Materials Limited

Notes to the financial statements for the year ended 30 June 2013 (continued)

7 Fixed assets investments

Cost and Net Book Value £'000

At 1 July 2012 and at 30 June 2013 7,865

Subsidiary undertaking	Country of Incorporation or Registration	Proportion of rights and ordinary share capital held	Nature of business
Technical Glass Cambridge Limited	England	100%	Dormant
Goodfellow Group Limited	England	76%	Holding Company

The directors believe that the carrying value of the investments is supported by their underlying net assets

8 Debtors

	2013 £'000	2012 £'000
Amounts owed by group undertakings	8,675	6,845
Amounts owed due to group relief	1,403	1,094
	<u>10,078</u>	<u>7,939</u>

Amounts owed by group undertakings and amounts owed due to group relief are interest free, unsecured and repayable on demand

9 Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Bank Loans	3,977	-
Amounts owed to group undertakings	13,342	9,601
	<u>17,319</u>	<u>9,601</u>

Amounts owed to group undertakings are interest free, unsecured and are repayable on demand

Goodfellow Research Materials Limited

Notes to the financial statements for the year ended 30 June 2013 (continued)

10 Creditors: amounts falling due after more than one year

	2013 £'000	2012 £'000
Bank Loans	-	5,470

The bank loan facilities have fixed and floating charges over the assets of the group. On 28th June 2013 Facility B of £2,500,000 was repaid in full. Facility C carries interest at LIBOR plus 5.00% (£2,968,000 repayable on 30 June 2015). Subsequent to the year end, the existing bank loans were settled in full and a new loan facility was undertaken as part of a wider refinancing of the group, details of which can be found within the financial statements of Goodfellow Holdings Limited.

The maturity analysis of the bank and other borrowings is as follows:

	2013 £'000	2012 £'000
Within one year	4,310	-
Between 1 and 2 years	-	-
Between 2 and 5 years	-	6,603
Less: unamortised issue costs	(333)	(1,133)
	<u>3,977</u>	<u>5,470</u>

11 Called up share capital

	2013 £'000	2012 £'000
Allotted and fully paid Ordinary shares of £1 each	1	1

12 Profit and loss account

	£'000
At 1 July 2012	732
Profit for the financial year	809
Dividend paid	(918)
At 30 June 2013	<u>623</u>

Goodfellow Research Materials Limited

Notes to the financial statements for the year ended 30 June 2013 (continued)

13 Reconciliation of movements in shareholders' funds

	2013 £'000	2012 £'000
Opening shareholders' funds	733	923
Profit for the financial year	809	1,310
Dividend paid	(918)	(1,500)
	<hr/>	<hr/>
Closing shareholders' funds	624	733
	<hr/>	<hr/>

14 Related party transactions

During the period, the Company was a wholly owned subsidiary of Goodfellow Holdings Limited. Consequently, the Company has taken advantage, under the terms of Financial Reporting Standard 8, of the exemption from disclosing related party transactions with entities that are wholly owned by Goodfellow Holdings Limited. The directors of the Company had a beneficial interest in the ultimate holding company, Goodfellow Holdings Limited. Details of these interests have been disclosed within the financial statements of Goodfellow Holdings Limited.

15 Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking and controlling party at the 30 June 2013 was Goodfellow Holdings Limited, a company incorporated in England and Wales. On the 22 November 2013, following the sale of the entire share capital of Goodfellow Holdings Limited, the ultimate parent undertaking and controlling party company became Metals & Materials Limited, a company incorporated in England and Wales.

Goodfellow Holdings Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 30 June 2013. The consolidated financial statements of Goodfellow Holdings Limited are available from Units C1 & C2, Spitfire Close, Ermine Business Park, Huntingdon, Cambridgeshire, PE29 6WR.