
CHARD FOUNDRY HOLDINGS LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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CHARD FOUNDRY HOLDINGS LIMITED

COMPANY INFORMATION

Directors	A O Fischer I Fisher A T Fletcher J C Richardson
Registered number	10357697
Registered office	8-12 York Gate London NW1 4QG
Accountant	Mazars LLP Chartered Accountants 2nd Floor 6 Sutton Plaza Sutton Court Road Sutton Surrey SM1 4FS

CHARD FOUNDRY HOLDINGS LIMITED

CONTENTS

	Page
Directors' Report	1 - 3
Accountant's Report	4
Statement of Comprehensive Income	5
Balance Sheet	6
Notes to the Financial Statements	7 - 14

CHARD FOUNDRY HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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

Principal activity

The company's principal activity during the year was that of a holding company. The company's principal subsidiary undertakings are shown in note 4 to the financial statements.

Results and dividends

The loss for the year, after taxation, amounted to £60,000 (2019: loss of £89,000)

The directors do not propose the payment of a dividend for the financial year (2019: £nil).

Statement of directors' responsibilities in respect of the financial statements

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting 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 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.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

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

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

CHARD FOUNDRY HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Directors

The directors who served during the year and to the date of this report were:

A O Fischer
I Fisher
A T Fletcher
J C Richardson

Coronavirus and the COVID-19 pandemic

As the company is not trading the directors are of the opinion that the continuing pandemic will have no effect on the business. The company's subsidiary is trading and has been affected by a reduction in sales and with the securing of a CBILS Loan and government support has sufficient liquidity for the foreseeable future.

Qualifying third party indemnity provisions

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 2. These matters relate to business review and future developments.

Going concern

The company made a loss during the year and at the year end had net current liabilities of £554,000 (2019: £521,000). The ultimate parent of the company, Rubicon Partners Industries 2 LLP, has confirmed that it will continue to support the company for a period of at least twelve months from the date of signature of this report, to ensure that the company will be able to meet its obligations to creditors as they fall due, and that the company will have sufficient funds to continue in operational existence for this time. On this basis the directors believe it is appropriate to produce the financial statements on the going concern basis.

Future developments

There are no significant changes to the company's operations anticipated and it is expected that the company will continue to operate as a holding company for the foreseeable future.

The withdrawal of the United Kingdom from the European Union

The UK withdrew from the EU on 31 January 2020 with the implementation period coming to an end on 31 December 2020. This has had no effect on the business as it does not trade. The company's subsidiary is trading but has not experienced any negative effects from the withdrawal.

Post balance sheet events

There were no significant events affecting the company since the year end.

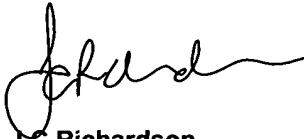
CHARD FOUNDRY HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



J.C. Richardson
Director

Date: 20 September 2021

CHARD FOUNDRY HOLDINGS LIMITED

**CHARTERED ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF CHARD FOUNDRY HOLDINGS LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2020**

In accordance with our engagement letter and in order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of the company for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As practising members of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/members/regulations-standards-and-guidance/.

Respective responsibilities of directors and accountants

You have acknowledged on the balance sheet for the year ended 31 December 2020 your duty to ensure that the company has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and loss. You consider that the company is exempt from the statutory requirement for an audit for the year.

This report is made solely to the Board of Directors of Chard Foundry Holdings Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of the company and state those matters that we have agreed to state to the Board of Directors, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept nor assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

We have not been instructed to carry out an audit or review of the financial statements of Chard Foundry Holdings Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Mazars LLP (Sep 20, 2021 15:10 GMT+1)

Mazars LLP

Chartered Accountants

2nd Floor
6 Sutton Plaza
Sutton Court Road
Sutton
Surrey
SM1 4FS

Date:

CHARD FOUNDRY HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £000	2019 £000
Turnover		174	215
Gross profit		<u>174</u>	<u>215</u>
Administrative expenses		(189)	(230)
Other operating income		6	-
Operating loss		<u>(9)</u>	<u>(15)</u>
Interest payable and expenses		(51)	(74)
Loss before tax		<u>(60)</u>	<u>(89)</u>
Tax on loss		-	-
Loss for the financial year		<u>(60)</u>	<u>(89)</u>
Other comprehensive income		-	-
Total comprehensive loss for the year		<u>(60)</u>	<u>(89)</u>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 7 to 14 form part of these financial statements.

CHARD FOUNDRY HOLDINGS LIMITED
REGISTERED NUMBER: 10357697

BALANCE SHEET
AS AT 31 DECEMBER 2020


	Note	2020 £000	2019 £000
Fixed assets			
Fixed asset investments	4	1,220	1,220
		<u>1,220</u>	<u>1,220</u>
Current assets			
Debtors: amounts falling due within one year	9	9	9
Cash at bank and in hand	6	11	14
		<u>20</u>	<u>23</u>
Creditors: amounts falling due within one year	7	(574)	(544)
Net current liabilities		(554)	(521)
Total assets less current liabilities		<u>666</u>	<u>699</u>
Creditors: amounts falling due after more than one year	8	(992)	(959)
Net liabilities		<u>(326)</u>	<u>(260)</u>
Capital and reserves			
Called up share capital	15	-	-
Profit and loss account		(326)	(260)
Total equity		<u>(326)</u>	<u>(260)</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 on pages.

The financial statements on pages have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements on pages on 5 to 16 were approved and authorised for issue by the board and were signed on its behalf by:



J.C. Richardson

Director

Date: 20 September 2021

CHARD FOUNDRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Chard Foundry Holdings Limited is a private company limited by shares and is incorporated and registered in England. The address of the registered office of the company is Rubicon Partners, 8-12 York Gate, London, NW1 4QG.

The principal activity of the company during the year under review was that of a holding company.

The financial statements have been presented in Pounds Sterling as this is the currency of the primary economic environment in which the company operates, and are currently rounded to the nearest thousand pounds.

2. Accounting policies

2.1 Basis of preparation of financial statements

The principal accounting policies applied on the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

2.2 Exemption from preparing consolidated financial statements

The company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Going concern

The company made a loss during the year and at the year end had net current liabilities of £554,000 (2019: £521,000). The ultimate parent of the company, Rubicon Partners Industries 2 LLP, has confirmed that it will continue to support the company for a period of at least twelve months from the date of signature of this report, to ensure that the company will be able to meet its obligations to creditors as they fall due, and that the company will have sufficient funds to continue in operational existence for this time. On this basis the directors believe it is appropriate to produce the financial statements on the going concern basis.

2.4 Turnover

Turnover which excludes value added tax, represents the invoiced value of management services provided to other group companies and management services provided to third parties during the year. Turnover is recognised once the services have been performed.

CHARD FOUNDRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.5 Interest payable and similar expenses

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Taxation

Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

CHARD FOUNDRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

At each balance sheet date investments are assessed to determine whether there is an indication that the investment may be impaired. If there is such an indication the recoverable amount of the asset is compared to the recoverable amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and the asset's value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pretax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income.

If an impairment loss is subsequently reversed, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods.

A reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

CHARD FOUNDRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.11 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

3. Employees

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

	2020 No.	2019 No.
Directors	4	4

The directors did not receive any remuneration for their services to the company during the year (2019: £nil).

CHARD FOUNDRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Fixed asset investments

	Investments in subsidiary companies £000
Cost	
At 1 January 2020 and 1 January 2019	1,220
At 31 December 2020 and 31 December 2019	<u>1,220</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the company:

Name	Registered office	Principal activity	Class of shares	Holding
Cerdic Foundries Limited	Cerdic Foundries Limited, Beeching Close, Chard, TA20 1BB	Manufacturing ferrous and non ferrous castings	Ordinary	100%

5. Debtors: amounts falling due within one year

	2020 £000	2019 £000
Other debtors	9	9
	<u>9</u>	<u>9</u>

6. Cash and cash equivalents

	2020 £000	2019 £000
Cash at bank and in hand	11	14
	<u>11</u>	<u>14</u>

CHARD FOUNDRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Bank loans	91	118
Other loans	476	425
Trade creditors	4	-
Accruals and deferred income	3	1
	<u>574</u>	<u>544</u>

Other loans are unsecured, bear interest at a rate of 12% per annum and have no fixed repayment date.

The bank loan from Santander UK plc is secured by a fixed and floating charge over the property of the company. It bears interest at a rate of 3.3% per annum and is repayable by the end of July 2021.

8. Creditors: Amounts falling due after more than one year

	2020 £000	2019 £000
Bank loans	-	62
Amounts owed to group undertakings	992	897
	<u>992</u>	<u>959</u>

The amounts owed to group undertakings are unsecured, bear interest at a rate of 12% (2019: 12%) per annum and have no fixed repayment date. The directors have confirmed that the loans will not be called for repayment for at least one year from the balance sheet date.

CHARD FOUNDRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Loans

Analysis of the maturity of loans is given below:

	2020 £000	2019 £000
Amounts falling due within one year		
Bank loans	91	118
Other loans	476	425
	<u>567</u>	<u>543</u>
Amounts falling due 2-5 years		
Bank loans	-	62
	<u>-</u>	<u>62</u>
	<u>567</u>	<u>605</u>

10. Contingent liabilities

The company has entered into an unlimited cross guarantee arrangement in respect of the borrowings of Chard Foundry Holdings and its subsidiary. At 31 December 2020 the net borrowings under these arrangements was approximately £651,000 (2019: £229,000).

11. Related party transactions

The company is exempt from disclosing related party transactions with other companies that are wholly owned within the Group.

During the year the company incurred interest on a loan to Finance Holdings Limited, a company related by common directors of £51,000 (2019: £45,000). At year end the balance owed to this related company was £476,000 (2019: £425,000), and is included within 'Other loans'.

Consultancy fees and expenses of £172,000 (2019: £nil) were paid to Vector Industries Limited, a company in which AO Fischer, I Fisher, AT Fletcher and JC Richardson are Directors, in respect of management services provided to the company. There were no amounts outstanding at 31 December 2020 (2019: £nil).

12. Post balance sheet events

There have been no significant events affecting the company since the year end.

CHARD FOUNDRY HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Controlling party

Rubicon Partners Industries 2 LLP, a limited liability partnership registered in England, is the ultimate and immediate parent undertaking and controlling party.

The address of the registered office of Rubicon Partners Industries 2 LLP is 8-12 York Gate, London, NW1 4QG.