

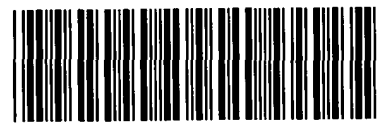
Company Registration No. 00556473

Spincraft ETG Limited

Annual Report and Financial Statements

For the year ended 30 June 2015

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Spincraft ETG Limited

Annual report and financial statements for the year ended 30 June 2015

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Spincraft ETG Limited

Annual report and financial statements for the year ended 30 June 2015

Officers and professional advisers

Directors

D Dunbar
L Paolillo
D A Rosen

Company Secretary

Halco Secretaries Limited

Registered Office

5 Fleet Place
London
EC4M 7RD

Main Trading Address

Unit BT26
Newburn Industrial Estate
Newburn
Newcastle upon Tyne
NE15 9RT

Bankers

HSBC Bank plc
1 Prospect Place
Darlington
Co Durham
DL3 7LQ

Auditor

Grant Thornton UK LLP
The Explorer Building
Fleming Way
Manor Royal
Crawley
RH10 9GT

Spincraft ETG Limited

Strategic report

The directors present their Annual Report and the audited financial statements for the year ended 30 June 2015. Following the introduction of new reporting regulations this now includes a strategic report, including a business review and description of risks and uncertainties. These disclosures were included in the directors' report in prior years.

Business review and future prospects

The results for the year are set out on page 6. The company's profit for the year after taxation was £ 1,654,000 (2014: £2,142,000).

The underlying performance moved in line with the anticipated movement in the markets associated with our business. Suitable plans have been implemented as we diversify into new areas of business.

Appropriate investment in plant and equipment together with a continuous programme of process development enables the company to maintain its lead over global competitors in its sector and satisfy more demanding customers.

The company uses a number of financial and non-financial KPIs to measure performance. The company's key financial and other performance indicators during the year were as follows:

	2015	2014	Change
	£'000	£'000	£'000
Turnover	10,355	12,300	-1,945
Gross Margin	33.2%	43.5%	-10.3%
Operating Margin	19.9%	22.0%	-2.1%

The directors consider that the company has an effective measurement and reporting system, consistent with its size and complexity.

Principal risks and uncertainties

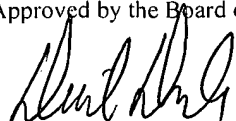
The directors have carefully considered the principal risks and uncertainties facing the business and consider these to be adverse movements in raw material prices and foreign exchange rates along with general economic uncertainty. Whilst these risks and uncertainties are likely to persist into the foreseeable future the directors are reasonably confident that current levels of performance will continue.

The company meets its day to day working capital requirements through its cash resources and operating cash flows. The current economic conditions continue to create an element of uncertainty over demand for the company's products and services but the company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company is expected to continue to have a sufficient level of financial resources available through its cash resources.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to prepare the financial statements on a going concern basis.

Further details regarding the adoption of the going concern basis of accounting can be found in the accounting policies (note 1) in the financial statements.

Approved by the Board of Directors and signed on behalf of the Board



D Dunbar
Director
18 April 2016

Spincraft ETG Limited

Directors' report

Principal activities

The principal activity of the company is that of metal spinning, presswork and fabrication.

Directors and directors' interests

The directors who held office during the year and subsequently were as follows:

D Dunbar
L Paolillo; and
D A Rosen.

Proposed dividend

Dividends paid during the year comprise a final dividend of £2,500,500 in respect of the year ended 30 June 2015 (2014: £2,500,500).

Going concern and financial risk management objectives and policies

The directors set out in the Strategic Report the reason for the adoption of the going concern basis in preparing the Annual Report and financial statements for the company along with policies (note 1) in relation to financial and liquidity risk.

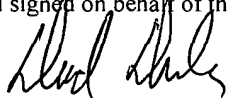
Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The director 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 auditor is aware of that information.

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

Approved by the Board of Directors
and signed on behalf of the Board



D Dunbar
Director
18 April 2016

Spincraft ETG 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 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 to 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 Spincraft ETG Limited

We have audited the financial statements of Spincraft ETG Limited for the year ended 30 June 2015 which comprise the balance sheet, the profit and loss account, the reconciliation of movements in shareholders' funds 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).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2015 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 Strategic Report and Directors' 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.



Eleanor Walsh
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Gatwick
19 April 2016

Spincraft ETG Limited

Profit and loss account For the year ended 30 June 2015

	Notes	2015 £'000	2014 £'000
Turnover	2	10,355	12,300
Cost of sales		(6,045)	(6,944)
Gross profit		<u>4,310</u>	<u>5,356</u>
Administrative expenses		(2,252)	(2,648)
Operating profit		<u>2,058</u>	<u>2,708</u>
Interest receivable	6	33	61
Profit on ordinary activities before taxation	3	<u>2,091</u>	<u>2,769</u>
Tax on profit on ordinary activities	7	(437)	(627)
Profit for the financial year	15	<u><u>1,654</u></u>	<u><u>2,142</u></u>

All of the results above derive from continuing activities.

There are no recognised gains and losses for the current financial year and the preceding financial year other than as stated in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses has been presented.

The notes on pages 9 to 18 form part of these financial statements.

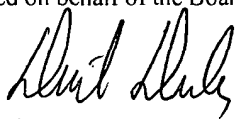
Spincraft ETG Limited

Profit and loss account For the year ended 30 June 2015

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed assets					
Tangible assets	9		1,014		1,149
Current assets					
Stocks	10	1,270		1,258	
Debtors	11	7,743		8,518	
Cash at bank and in hand		1,749		1,315	
		10,762		11,091	
Creditors: amounts falling due within one year	12	(3,292)		(2,914)	
Net current assets			7,470		8,177
Total assets less current liabilities			8,484		9,326
Provisions for liabilities	13		(22)		(17)
Net assets			8,462		9,309
Capital and reserves					
Called up share capital	14		150		150
Profit and loss account	15		8,312		9,159
Shareholders' funds			8,462		9,309

The financial statements of Spincraft ETG Limited (registered number 00556473) were approved by the Board of Directors and authorised for issue on 18 April 2016.

Signed on behalf of the Board of Directors



D Dunbar
Director

The notes on pages 9 to 18 form part of these financial statements.

Spincraft ETG Limited

Profit and loss account

For the year ended 30 June 2015

	2015 £'000	2014 £'000
Profit for the financial year	1,654	2,142
Final dividend for the year ended 30 June 2015 of £16.67 (2014: £16.67) per ordinary share classified in shareholders' funds	(2,501)	(2,501)
Net reduction in shareholders' funds	(847)	(359)
Opening shareholders' funds	9,159	9,518
Closing shareholders' funds	8,312	9,159

The notes on pages 9 to 18 form part of these financial statements.

Spincraft ETG Limited

Notes to the financial statements For the year ended 30 June 2015

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Under FRS, 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly-owned subsidiary of Standex International Corporation Inc, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly-owned subsidiaries which form part of the group. The consolidated financial statements of Standex International Corporation Inc, within which the company is included, can be obtained from the company secretary.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 2. The company meets its day to day working capital requirements through its cash resources and operating cash flows.

The current economic conditions continue to create an element of uncertainty over demand for the company's products and services but the company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company is expected to continue to have a sufficient level of financial resources available through its cash resources, and the directors therefore consider that the company is well placed to manage its business risks successfully despite the economic uncertainty.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to prepare the financial statements on a going concern basis.

Spincraft ETG Limited

Notes to the financial statements (continued) For the year ended 30 June 2015

1. Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land and buildings	50 years
Leasehold improvements	5 to 20 years
Plant, machinery, fixtures and fittings	4 to 15 years
Motor vehicles	4 years

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date or, if appropriate, at the forward contract rate, and the gains or losses on translation are included in the profit and loss account.

Government grants

Grants receivable in respect of capital expenditure are treated as deferred income and released to the profit and loss account so as to match the depreciation charged on the fixed assets purchased with the grant. Deferred grant income in the balance sheet represents total grants received less amounts credited to the profit and loss account.

Leases

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Spincraft ETG Limited

Notes to the financial statements (continued)

For the year ended 30 June 2015

1. Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost or net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the first in, first out basis is used. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

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. 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-discontinued basis.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers. Revenue is recognised when the risks and rewards of ownership have transferred based on the terms of contractual arrangements with customers, either at the point of despatch of goods or once goods have been delivered, and for services when they have been provided.

Dividends on shares presented within shareholders' funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Spincraft ETG Limited

Notes to the financial statements (continued) For the year ended 30 June 2015

2. Analysis of turnover

The turnover is attributable to the company's principal activity. An analysis of turnover by geographical market is given below:

	2015 £'000	2014 £'000
United Kingdom	5,926	6,607
Rest of Europe	344	1,356
Rest of World	4,085	4,337
	<u>10,355</u>	<u>12,300</u>

3. Profit on ordinary activities before taxation

	2015 £'000	2014 £'000
Profit on ordinary activities before taxation is stated after charging:		
Depreciation and other amounts written off tangible fixed assets:		
Owned	196	252
Hire of plant and machinery - operating leases	15	26
Hire of other assets - operating leases	70	70
Net exchange (gains)/losses	(25)	96
Fees payable to the company's auditor for the audit of the company's annual financial statements	16	28
	<u>16</u>	<u>28</u>

4. Remuneration of directors

The directors received no remuneration during the current or preceding financial year from the company.

Spincraft ETG Limited

Notes to the financial statements (continued) For the year ended 30 June 2015

5. Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	2015 No.	2014 No.
Administration	26	30
Manufacturing	37	53
	<u>63</u>	<u>83</u>

The aggregate payroll costs of these persons were as follows:

	2015 £'000	2014 £'000
Wages and salaries	2,358	2,673
Social security costs	250	262
Other pension costs (see note 17)	102	97
	<u>2,710</u>	<u>3,032</u>

6. Interest receivable

	2015 £'000	2014 £'000
Interest on bank deposits	<u>33</u>	<u>61</u>

Spincraft ETG Limited

Notes to the financial statements (continued) For the year ended 30 June 2015

7. Taxation

Analysis of tax charge in year

	2015 £'000	2014 £'000
UK corporation tax		
Current tax on income for the year	430	602
Adjustments in respect of prior years	2	-
Total current tax	432	602
Deferred tax (see note 13)		
Reversal of timing differences	7	27
Adjustment in respect of previous years	(2)	-
Effect of changes in tax rates	-	(2)
Total deferred tax	5	25
Tax on profit on ordinary activities	437	627

Factors affecting the tax charge for the current period

The current tax charge for the year is lower (2014: higher) than the standard rate of corporation tax in the UK 20.75% (2014: 22.5%). The differences are explained below.

	2015 £'000	2014 £'000
Current tax reconciliation		
Profit on ordinary activities before tax	2,091	2,769
Current tax at 20.75% (2014: 22.5%)	434	623
Effects of:		
Expenses not deductible for tax purposes	4	5
Capital allowances for year less than depreciation	(5)	(21)
Movement in short term timing differences	(3)	(5)
Adjustments to tax charge in respect of previous years	2	-
Total current tax charge	432	602

Factors that may affect future current and total tax charges

Finance Act 2014 was substantively enacted on 17 July 2014 and provided for a reduction in the main rate of corporation tax from 21% to 20% with effect from 1 April 2015. This 1% corporation tax rate reduction, from 21% to 20%, has been reflected in these financial statements and reduces the deferred tax liability by £283.

Spincraft ETG Limited

Notes to the financial statements (continued) For the year ended 30 June 2015

8. Dividends

The aggregate amount of dividends comprises:

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Final dividend for the year ended 30 June 2015 of £16.67 (2014: £16.67) per ordinary share classified in shareholders' funds	2,501	2,501

9. Tangible fixed assets

	Long leasehold land and buildings £'000	Plant, machinery, fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 July 2014	557	6,542	18	7,117
Additions	-	61	-	61
Disposals	-	(86)	(-)	(86)
At 30 June 2015	557	6,517	18	7,092
Depreciation				
At 1 July 2014	317	5,633	18	5,968
Charge for the year	19	177	-	196
On disposals	-	(86)	(-)	(86)
At 30 June 2015	336	5,724	18	6,078
Net book value				
At 30 June 2015	221	793	-	1,014
At 30 June 2014	240	909	-	1,149

Tangible fixed assets, including additions subsequent to the revaluation of plant and machinery, are included at cost.

10. Stocks

	2015 £'000	2014 £'000
Raw materials and consumables	-	38
Work in progress	1,082	1,042
Finished goods and goods for resale	188	178
	1,270	1,258

Spincraft ETG Limited

Notes to the financial statements (continued) **For the year ended 30 June 2015**

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

11. Debtors

	2015	2014
	£'000	£'000
Trade debtors	2,350	2,334
Amounts owed by group undertakings	5,039	5,839
Prepayments and accrued income	354	345
	<u>7,743</u>	<u>8,518</u>

12. Creditors: amounts falling due within one year

	2015	2014
	£'000	£'000
Trade creditors	1,489	1,420
Intercompany creditors	120	120
Corporation tax	1,267	829
Other taxation and social security	143	143
Other creditors	55	102
Accruals and deferred income	218	300
	<u>3,292</u>	<u>2,914</u>

13. Provisions for liabilities

	Deferred taxation £'000
At 1 July 2014	17
Charge to the profit and loss account for the year	5
	<u>22</u>
At 30 June 2015	<u>22</u>

The elements of deferred taxation are as follows:

	2015	2014
	£'000	£'000
Difference between accumulated depreciation and capital allowances	16	12
Other short term timing differences	6	5
	<u>22</u>	<u>17</u>
Total deferred tax liability	<u>22</u>	<u>17</u>

Spincraft ETG Limited

Notes to the financial statements (continued) For the year ended 30 June 2015

14. Called up share capital

	2015 £'000	2014 £'000
Allotted, called-up and fully paid		
150,000 Ordinary shares of £1 each	150	150

15. Reserves

	Profit and loss account £'000
At 1 July 2014	9,159
Profit for the year	1,654
Dividend paid (note 8)	(2,501)
At 30 June 2015	8,312

16. Commitments

(a) Capital commitments at the end of the financial year for which no provision has been made are as follows:

	2015 £'000	2014 £'000
Contracted	41	55

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

	2015		2014	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Operating leases which expire:				
Within one year	-	-	-	-
In the second to fifth years inclusive	-	15	-	25
Over five years	70	-	70	-
	<u>70</u>	<u>15</u>	<u>70</u>	<u>25</u>

17. Pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £102,000 (2014: £97,000).

Contributions amounting to £7,124 (2014: £9,228) were payable to the scheme and are included in creditors.

Spincraft ETG Limited

Notes to the financial statements (continued)

For the year ended 30 June 2015

18. Ultimate parent and controlling party and related parties

At the balance sheet date, the company was a wholly-owned subsidiary of Standex International Corporation Inc, a company incorporated in Delaware, United States of America.

In the opinion of the directors, the ultimate parent and controlling undertaking of the smallest and largest group to prepare group financial statements which includes the company and for which group financial statements are prepared is Standex International Corporation Inc. Copies of the Standex International Corporation Inc. financial statements can be obtained from 11 Keewaydin Drive, Salem, New Hampshire 03079, United States of America.

19. Related parties

The company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing transactions with members or investees of the Standex International Corporation Inc. group.