

COMPANY REGISTRATION NUMBER: 00556473

**SPINCRAFT ETG LIMITED**  
**Financial Statements**  
**30th June 2016**

FRIDAY



\*L679B52R\*

LD4

26/05/2017

#79

COMPANIES HOUSE

# **SPINCRAFT ETG LIMITED**

## **Financial Statements**

**Year ended 30th June 2016**

---

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Strategic report	2
Directors' report	4
Independent auditor's report to the members	6
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11

---

## **SPINCRAFT ETG LIMITED**

### **Officers and Professional Advisers**

---

<b>The board of directors</b>	D. Dunbar L. Paolillo
<b>Company secretary</b>	Halco Secretaries Limited
<b>Registered office</b>	5 Fleet Place London EC4M 7RD
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants & statutory auditor 2nd Floor St. John's House Haslett Avenue West Crawley RH10 1HS
<b>Bankers</b>	HSBC Bank plc 1 Prospect Place Darlington Co. Durham DL3 7LQ

# SPINCRAFT ETG LIMITED

## Strategic Report

### Year ended 30th June 2016

---

The directors present their Annual Report and the audited financial statements for the year ended 30 June 2016.

#### Business review and future prospects

The results for the year are set out on page 8. The company's profit for the year after taxation was £108,000 (2015: £1,654,000).

The underlying performance of the company moved satisfactorily ahead with positive underlying trends. Suitable plans have been implemented to ensure that this improvement continues.

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:

	2016 £'000	2015 £'000	Change £'000
Turnover	6,633	10,355	-3,721
Gross Margin	33.6%	33.2%	+0.4%
Operating margin	1.19%	19.9%	-18.71%

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.

## SPINCRAFT ETG LIMITED

### Strategic Report *(continued)*

Year ended 30th June 2016

---

This report was approved by the board of directors on 24 May 2017 and signed on behalf of the board by:



D. Dunbar  
Director

Registered office:  
5 Fleet Place  
London  
EC4M 7RD

# SPINCRAFT ETG LIMITED

## Directors' Report

Year ended 30th June 2016

---

The directors present their report and the financial statements of the company for the year ended 30th June 2016.

### Principal activities

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

### Directors

The directors who served the company during the year were as follows:

D. Dunbar  
L. Paolillo  
D. A. Rosen (Resigned 15th April 2016)

### Dividends

Dividends paid during the year comprise a final dividend of £nil in respect of the year ended 30 June 2016 £Nil (2015: £2,500,500).

### Financial instruments

The company has an established, structured approach to risk management. The company's activities expose it to a variety of financial risks such as credit, liquidity and cash flow, and interest rate risks. The company has adopted risk management policies that seek to mitigate these risks in a cost effective manner. Financial assets that expose the company to financial risk consist primarily of trade receivables and cash. Financial liabilities that expose the company to financial risk consist primarily of trade payables and bank borrowings.

Credit risk is the risk of loss in value of financial assets due to counterparties failing to meet all or some of their obligations. The company performs on-going credit evaluation of its customers' financial condition in order to mitigate this risk.

Liquidity risk is the risk that the company does not have sufficient liquid assets to meet its obligations as they fall due. Liquidity is maintained at a prudent level and the company ensures that there is an adequate liquidity buffer to cover contingencies. The company maintains sufficient cash and open committed credit lines from its bankers to meet its funding requirements.

Interest rate risk is the risk that interest rates move in such a way as to make borrowing costs unaffordable. This risk is not perceived as being material to the company as the borrowing agreements in place are at fixed rates of interest.

The company's principal transactions in foreign currency arise directly from the company's operating activities. The main risk arises from the movement in the Euro exchange rate. The company does not consider the risk to be of such significance to warrant any hedging activity.

### Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

## SPINCRAFT ETG LIMITED

### Directors' Report *(continued)*

Year ended 30th June 2016

---

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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

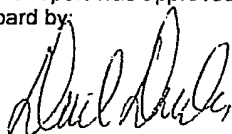
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

#### Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 24 May 2017 and signed on behalf of the board by:



D. Dunbar  
Director

Registered office:  
5 Fleet Place  
London  
EC4M 7RD

## **SPINCRAFT ETG LIMITED**

### **Independent Auditor's Report to the Members of Spincraft ETG Limited**

**Year ended 30th June 2016**

---

We have audited the financial statements of Spincraft ETG Limited for the year ended 30th June 2016, which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

#### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Councils website at [www.frc.org.uk/auditscopeukprivate](http://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 30th June 2016 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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## SPINCRAFT ETG LIMITED

### Independent Auditor's Report to the Members of Spincraft ETG Limited *(continued)*

Year ended 30th June 2016

---

#### 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.

*Grant Thornton UK LLP*

Eleanor Walsh FCCA  
Senior Statutory Auditor  
for and on behalf of  
Grant Thornton UK LLP  
Chartered Accountants  
Senior Statutory Auditor  
Gatwick

*25 May 2017*

## SPINCRAFT ETG LIMITED

### Statement of Comprehensive Income

Year ended 30th June 2016

		2016	2015
	Note	£000	£000
Turnover	4	6,633	10,355
Cost of sales		4,406	6,045
Gross profit		2,227	4,310
Distribution costs		18	–
Administrative expenses		2,174	2,269
Other operating income	5	44	17
Operating profit	6	79	2,058
Other interest receivable and similar income	9	–	33
Interest payable and similar charges	10	(1)	–
Profit on ordinary activities before taxation		80	2,091
Tax on profit on ordinary activities	11	27	437
Profit for the financial year and total comprehensive income		53	1,654

All the activities of the company are from continuing operations.

The notes on pages 11 to 22 form part of these financial statements.

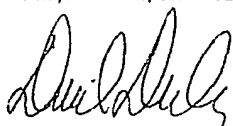
# SPINCRAFT ETG LIMITED

## Statement of Financial Position

30th June 2016

	Note	2016		2015	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Intangible assets	13		210		-
Tangible assets	14		920		1,014
			1,130		1,014
<b>Current assets</b>					
Stocks	15	1,291		1,270	
Debtors	16	6,259		7,743	
Cash at bank and in hand		2,679		1,749	
		10,229		10,762	
<b>Creditors: amounts falling due within one year</b>	17	2,818		3,292	
<b>Net current assets</b>			7,411		7,470
<b>Total assets less current liabilities</b>			8,541		8,484
<b>Provisions</b>	18		26		22
<b>Net assets</b>			8,515		8,462
<b>Capital and reserves</b>					
Called up share capital	21		150		150
Profit and loss account	22		8,365		8,312
<b>Members funds</b>			8,515		8,462

These financial statements were approved by the board of directors and authorised for issue on 24 May 2017, and are signed on behalf of the board by:



D. Dunbar  
Director

Company registration number: 00556473

The notes on pages 11 to 22 form part of these financial statements.

## SPINCRAFT ETG LIMITED

### Statement of Changes in Equity

Year ended 30th June 2016

		Called up share capital £000	Profit and loss account £000	Total £000
At 1st July 2014		150	9,158	9,308
Profit for the year		—	1,654	1,654
Total comprehensive income for the year		—	1,654	1,654
Dividends paid and payable	12	—	(2,500)	(2,500)
Total investments by and distributions to owners		—	(2,500)	(2,500)
At 30th June 2015		150	8,312	8,462
Profit for the year		—	53	53
Total comprehensive income for the year		—	53	53
At 30th June 2016		150	8,365	8,515

The notes on pages 11 to 22 form part of these financial statements.

# **SPINCRAFT ETG LIMITED**

## **Notes to the Financial Statements**

**Year ended 30th June 2016**

---

### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 5 Fleet Place, London, EC4M 7RD.

### **2. Statement of compliance**

These financial statements have been prepared in accordance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'

The entity is a limited company incorporated in England & Wales.

The registered office of the company is:  
5 Fleet Place  
London  
EC4M 7RD

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through Statement of Comprehensive Income.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **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.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1st July 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 26.

#### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Standex International Corporation Inc which can be obtained from 11 Keewaydin Drive, Salem, New Hampshire 03079, United States of America. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

## SPINCRAFT ETG LIMITED

### Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

---

#### 3. Accounting policies *(continued)*

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

**Assessing indicators of impairment:** In assessing whether there have been any indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

##### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

**Depreciation -** Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset. An estimate of the useful economic life of assets is detailed in the depreciation accounting policy. The value of the depreciation charged in the Statement of Comprehensive Income during the year was £180,311.

##### Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

##### Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

**Notes to the Financial Statements (continued)**

### 3. Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

## Amortisation

Development costs - Length of the customer contract

13

## SPINCRAFT ETG LIMITED

### Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

---

#### 3. Accounting policies *(continued)*

##### Development policy

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Long leasehold property	- 50 years
Plant and machinery	- 4 to 15 years
Motor vehicles	- 4 years

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.



## **SPINCRAFT ETG LIMITED**

### **Notes to the Financial Statements *(continued)***

**Year ended 30th June 2016**

---

#### **3. Accounting policies *(continued)***

##### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

##### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## SPINCRAFT ETG LIMITED

### Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

---

#### 3. Accounting policies *(continued)*

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### 4. Turnover

Turnover arises from:

	2016	2015
	£000	£000
Sale of goods	6,633	10,355

---

## SPINCRAFT ETG LIMITED

### Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

---

#### 4. Turnover *(continued)*

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2016 £000	2015 £000
United Kingdom	5,355	5,934
Overseas	1,278	4,421
	<u>6,633</u>	<u>10,355</u>

#### 5. Other operating income

	2016 £000	2015 £000
Other operating income	<u>44</u>	<u>17</u>

#### 6. Operating profit

Operating profit or loss is stated after charging:

	2016 £000	2015 £000
Amortisation of intangible assets	4	–
Depreciation of tangible assets	180	196
Foreign exchange differences	<u>50</u>	<u>(25)</u>

#### 7. Auditor's remuneration

	2016 £000	2015 £000
Fees payable for the audit of the financial statements	<u>15</u>	<u>16</u>

#### 8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016 No.	2015 No.
Production staff	30	37
Administrative staff	25	26
	<u>55</u>	<u>63</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016 £000	2015 £000
Wages and salaries	1,955	2,358
Social security costs	193	250
Other pension costs	<u>77</u>	<u>102</u>
	<u>2,225</u>	<u>2,710</u>

---

## SPINCRAFT ETG LIMITED

### Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

#### 9. Other interest receivable and similar income

	2016 £000	2015 £000
Interest receivable	—	33

#### 10. Interest payable and similar charges

	2016 £000	2015 £000
Interest on obligations under finance leases and hire purchase contracts	(1)	—

#### 11. Tax on profit on ordinary activities

##### Major components of tax expense

	2016 £000	2015 £000
<b>Current tax:</b>		
UK current tax expense	16	430
Adjustments in respect of prior periods	7	2
Total current tax	23	432
<b>Deferred tax:</b>		
Origination and reversal of timing differences	4	5
Tax on profit on ordinary activities	27	437

##### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.75%).

	2016 £000	2015 £000
Profit on ordinary activities before taxation	80	2,091
Profit on ordinary activities by rate of tax	16	434
Adjustment to tax charge in respect of prior periods	7	2
Effect of expenses not deductible for tax purposes	—	4
Effect of capital allowances and depreciation	4	(3)
Tax on profit on ordinary activities	27	437

# SPINCRAFT ETG LIMITED

## Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

### 12. Dividends

Dividends paid during the year

	2016	2015
	£000	£000
Dividends on equity shares	—	2,501

### 13. Intangible assets

	Development costs £000
Cost	
Additions	214
At 30th June 2016	214
Amortisation	
Charge for the year	4
At 30th June 2016	4
Carrying amount	
At 30th June 2016	210
At 30th June 2015	—

### 14. Tangible assets

	Long leasehold property £000	Plant and machinery £000	Motor vehicles £000	Total £000
Cost				
At 1st July 2015	557	6,517	18	7,092
Additions	—	86	—	86
At 30th June 2016	557	6,603	18	7,178
Depreciation				
At 1st July 2015	336	5,724	18	6,078
Charge for the year	—	161	19	180
At 30th June 2016	336	5,885	37	6,258
Carrying amount				
At 30th June 2016	221	718	(19)	920
At 30th June 2015	221	793	—	1,014

# SPINCRAFT ETG LIMITED

## Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

### 15. Stocks

	2016 £000	2015 £000
Raw materials and consumables	209	188
Work in progress	1,082	1,082
	<u>1,291</u>	<u>1,270</u>

### 16. Debtors

	2016 £000	2015 £000
Trade debtors	1,941	2,350
Amounts owed by group undertakings	4,060	5,039
Prepayments and accrued income	258	354
	<u>6,259</u>	<u>7,743</u>

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

	2016 £000	2015 £000
Trade creditors	1,196	1,489
Accruals and deferred income	74	218
Corporation tax	1,260	1,267
Social security and other taxes	89	143
Other creditors	79	55
Intercompany creditors	120	120
	<u>2,818</u>	<u>3,292</u>

### 18. Provisions

	Deferred tax (note 19) £000
At 1st July 2015	22
Charge against provision	<u>4</u>
At 30th June 2016	<u>26</u>

## SPINCRAFT ETG LIMITED

### Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

#### 19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£000	£000
Included in provisions (note 18)	26	22

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016	2015
	£000	£000
Accelerated capital allowances	21	16
Other revaluations	5	6
	26	22

#### 20. Employee benefits

##### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £77,000 (2015: £102,000).

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 £79,000 (2015: £102,000). Contributions amounting to £12,091 (2015: £7,124) were payable to the scheme and are included in creditors.

#### 21. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£000	No.	£000
Ordinary shares of £1 each	150,000	150	150,000	150

#### 22. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

#### 23. Capital commitments

Capital expenditure contracted for but not provided for in the financial statements is as follows:

	2016	2015
	£000	£000
Tangible assets	84	41

## SPINCRAFT ETG LIMITED

### Notes to the Financial Statements *(continued)*

Year ended 30th June 2016

---

#### 24. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£000	£000
Not later than 1 year	115	85
Later than 1 year and not later than 5 years	352	330
Later than 5 years	114	194
	<u>581</u>	<u>609</u>

#### 25. Related party transactions

The company has taken advantage of the exemption under Section 33 of FRS 102 from disclosing transactions with members or investees of the Standex International Corporation Inc. group.

#### 26. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st July 2014.

No transitional adjustments were required in equity or profit or loss for the year.

#### 27. 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.