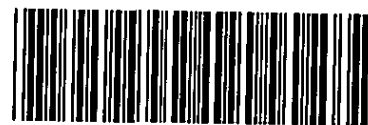


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Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 October 2012
for
The Abbey Group (UK) Ltd

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The Abbey Group (UK) Ltd

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for the Year Ended 31 October 2012

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The Abbey Group (UK) Ltd
Company Information
for the Year Ended 31 October 2012

DIRECTORS:

Mrs J M Neal
R S Neal

SECRETARY

R S Neal

REGISTERED OFFICE:

Beeley Wood Works
Beeley Wood Lane
Sheffield
South Yorkshire
S6 1ND

REGISTERED NUMBER.

05891820 (England and Wales)

AUDITORS:

Sutton McGrath Limited
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

The Abbey Group (UK) Ltd

Report of the Directors
for the Year Ended 31 October 2012

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2012

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of manufacturers, forgers and distributors of steel products

REVIEW OF BUSINESS

Overview of performance

The current year has seen continued growth for the group which is largely down to them becoming more established in the industry and gaining market share

Turnover has increased in the consolidated financial statements by 49.3% and cost of sales have increased by 56.6%

Key Performance Indicators

The key performance indicators necessary for understanding the group are the trends in turnover and gross profit margins

	2012	2011	2010
Turnover	£41,246,779	£27,621,287	£20,102,331
Gross Profit Margin	36%	39%	27%

Company Position

The group are competing in a worldwide market and they have seen growth in recent years as they have become more established and have gained market share. They have managed to maintain and improve their market position in what is a relatively developed market.

DIVIDENDS

The total distribution of dividends for the year ended 31 October 2012 will be £2,420,000

FUTURE DEVELOPMENTS

The group plans to continue the growth into future years and the directors are focused and confident regarding business development in the future. The directors expect their overall general investments within the group to increase the group's trade and profits in future years.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2011 to the date of this report

Mrs J M Neal
R S Neal

The Abbey Group (UK) Ltd

Report of the Directors for the Year Ended 31 October 2012

FINANCIAL INSTRUMENTS

The groups principal financial instruments comprise of bank balances, trade debtors, trade creditors and loans both to and from the companies which make up the group

Due to the nature of the financial instruments used by the group there is no exposure to price risk The group's approach to managing other risks applicable to the financial instruments concerned is shown below

In respect of bank balances the liquidity risk is managed by maintaining a balance in order to ensure all due amounts can be paid within the deadlines stipulated when credit is taken The group makes use of additional funds held in excess of that required for the day to day running of the group by investing them in high interest accounts These do have instant access to ensure money is available when required to meet any demands on cash flow

In respect of loans to and from the group these comprise of loans both from and to directors and employees, these are interest free and payable on demand The directors are aware of the group's financial position and would not withdraw funds unless the group had sufficient funds to satisfy the day to day running of the group

Trade debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding for time limits

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet the amounts due

POLITICAL AND CHARITABLE CONTRIBUTIONS

The group has made the following donations during the year

Charitable £13,193

The following donation was made in excess of £2,000

Prince's Trust - £5,000

KEY PERFORMANCE INDICATORS

The key financial performance indicators for the group are as follows

	2012	2011
Return on Capital Employed	52.3%	195.0%
Operating profit per employee	£61,840	£168,513
Turnover per employee	£251,505	£217,490
Gross Profit Margin	36.1%	39.0%
Operating Profit Margin	24.6%	77.5%
Current Ratio	3.01	2.41

EURO ISSUES

The group's systems are Euro compatible The group has assessed the situation and does not anticipate any problems if the Euro is introduced in the UK

The Abbey Group (UK) Ltd

Report of the Directors
for the Year Ended 31 October 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

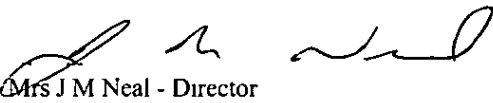
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Sutton McGrath Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


Mrs J M Neal - Director

Date 29 4 12

Report of the Independent Auditors to the Members of
The Abbey Group (UK) Ltd

We have audited the financial statements of The Abbey Group (UK) Ltd for the year ended 31 October 2012 on pages six to twenty three. 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 a Report of the Auditors 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 auditors

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

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 group's and the parent 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 Report of the Directors to identify material inconsistencies with the audited financial statements. 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 group's and of the parent company's affairs as at 31 October 2012 and of the group's 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 Report of the Directors 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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.

David Sutton

David Sutton FCA (Senior Statutory Auditor)
for and on behalf of Sutton McGrath Limited, Statutory Auditor
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Date 1.5.2013

The Abbey Group (UK) Ltd

Consolidated Profit and Loss Account
for the Year Ended 31 October 2012

		2012	2011
	Notes	£	as restated £
TURNOVER		41,246,779	27,621,287
Cost of sales		25,971,351	16,841,351
GROSS PROFIT		15,275,428	10,779,936
Administrative expenses		4,733,556	(10,621,286)
		10,541,872	21,401,222
Other operating income		-	2
OPERATING PROFIT	3	10,541,872	21,401,224
Interest receivable and similar income		63,524	52,603
		10,605,396	21,453,827
Interest payable and similar charges	4	5,792	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,599,604	21,453,827
Tax on profit on ordinary activities	5	2,640,526	2,030,039
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		7,959,078	19,423,788

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

The Abbey Group (UK) Ltd

Consolidated Statement of Total Recognised Gains and Losses
for the Year Ended 31 October 2012

	2012	2011
	£	as restated
		£
PROFIT FOR THE FINANCIAL YEAR	7,959,078	19,423,788
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	7,959,078	19,423,788
		<hr/>
		<hr/>
Prior year adjustment	Note	
	8	
	(250,000)	
	<hr/>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE		
LAST ANNUAL REPORT	7,709,078	
	<hr/>	
	<hr/>	

The notes form part of these financial statements

The Abbey Group (UK) Ltd (Registered number 05891820)

Consolidated Balance Sheet
31 October 2012

		2012		2011 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	9		1,710,000		1,824,000
Tangible assets	10		7,498,917		7,282,265
Investments	11		68,850		68 850
			<u>9,277,767</u>		<u>9,175,115</u>
CURRENT ASSETS					
Stocks	12	1,476,822		966,000	
Debtors	13	9,567,303		10,193,304	
Cash at bank and in hand		12,512,935		5,594,840	
		<u>23,557,060</u>		<u>16,754,144</u>	
CREDITORS					
Amounts falling due within one year	14	8,476,839		7,044,144	
NET CURRENT ASSETS			<u>15,080,221</u>		<u>9,710,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>24,357,988</u>		<u>18,885,115</u>
PROVISIONS FOR LIABILITIES	16		<u>225,016</u>		<u>291,221</u>
NET ASSETS			<u><u>24,132,972</u></u>		<u><u>18,593,894</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		104		104
Profit and loss account			24,132,868		18,593,790
SHAREHOLDERS' FUNDS	22		<u><u>24,132,972</u></u>		<u><u>18,593,894</u></u>

The financial statements were approved by the Board of Directors on 29.4.13 and were signed on its behalf by


Mrs J M Neal - Director

The Abbey Group (UK) Ltd (Registered number. 05891820)

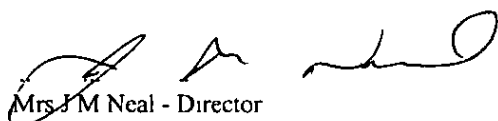
Company Balance Sheet

31 October 2012

		2012		2011 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	9		1,710,000		1,824,000
Tangible assets	10		6,636,071		7,282,265
Investments	11		68,950		68,950
			<u>8,415,021</u>		<u>9,175,215</u>
CURRENT ASSETS					
Debtors	13	3,292,504		390,004	
CREDITORS					
Amounts falling due within one year	14	<u>308,355</u>		<u>98,733</u>	
NET CURRENT ASSETS			<u>2,984,149</u>		<u>291,271</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,399,170</u>		<u>9,466,486</u>
PROVISIONS FOR LIABILITIES	16		<u>212,514</u>		<u>291,221</u>
NET ASSETS			<u><u>11,186,656</u></u>		<u><u>9,175,265</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		104		104
Profit and loss account			<u>11,186,552</u>		<u>9,175,161</u>
SHAREHOLDERS' FUNDS	22		<u><u>11,186,656</u></u>		<u><u>9,175,265</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 29.10.13 and were signed on its behalf by


Mrs J M Neal - Director

The notes form part of these financial statements

The Abbey Group (UK) Ltd

Consolidated Cash Flow Statement
for the Year Ended 31 October 2012

		2012	2011
	Notes	£	as restated £
Net cash inflow from operating activities	1	13,252,062	16 126 651
Returns on investments and servicing of finance	2	57,732	52,603
Taxation		(3,078,480)	(50,238)
Capital expenditure and financial investment	2	(1,124,969)	(9,954,077)
Acquisitions and disposals	2	-	(100)
Equity dividends paid		(2,670,000)	(580,000)
		6,436,345	5,594,839
Financing	2	452,258	-
Increase in cash in the period		6,888,603	5,594,839
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		6,888,603	5,594,839
Change in net funds resulting from cash flows		6,888,603	5,594,839
Movement in net funds in the period		6,888,603	5,594,839
Net funds at 1 November		5,594,840	-
Net funds at 31 October		12,483,443	5,594,839

The notes form part of these financial statements

The Abbey Group (UK) Ltd

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 October 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012	2011 as restated
	£	£
Operating profit	10,541,872	21,401,224
Depreciation charges	1,024,816	779,062
Profit on disposal of fixed assets	(2,500)	-
Increase in stocks	(510,822)	(966,000)
Decrease/(increase) in debtors	901,815	(10,449,678)
Increase in creditors	1,296,881	5,362,043
Net cash inflow from operating activities	13,252,062	16,126,651

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2012	2011 as restated
	£	£
Returns on investments and servicing of finance		
Interest received	63,524	52,603
Interest paid	(5,792)	-
Net cash inflow for returns on investments and servicing of finance	57,732	52,603
Capital expenditure and financial investment		
Purchase of intangible fixed assets	-	(1,938,000)
Purchase of tangible fixed assets	(1,127,469)	(7,947,327)
Purchase of fixed asset investments	-	(68,850)
Sale of tangible fixed assets	2,500	-
Sale of fixed asset investments	-	100
Net cash outflow for capital expenditure and financial investment	(1,124,969)	(9,954,077)
Acquisitions and disposals		
Acquisition of investments in subsidiary	-	(100)
Net cash outflow for acquisitions and disposals	-	(100)
Financing		
Amount introduced by directors	1,339,484	-
Amount withdrawn by directors	(887,226)	-
Net cash inflow from financing	452,258	-

The notes form part of these financial statements

The Abbey Group (UK) Ltd

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 October 2012

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1/11/11 £	Cash flow £	At 31/10/12 £
Net cash			
Cash at bank and in hand	5,594,840	6,918,095	12,512,935
Bank overdraft	-	(29,492)	(29,492)
	<u>5,594,840</u>	<u>6,888,603</u>	<u>12,483,443</u>
 Total	 <u>5,594,840</u>	 <u>6,888,603</u>	 <u>12,483,443</u>

The notes form part of these financial statements

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements
for the Year Ended 31 October 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover is the amount derived from ordinary activities and stated after trade discounts, other sales taxes and Value Added Tax

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2007, is being amortised evenly over its estimated useful life of twenty years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- not provided
Plant and machinery	- 10% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate

2 STAFF COSTS

	2012	2011
	£	as restated £
Wages and salaries	4,813,034	3,726,175
Social security costs	500,675	375,991
Other pension costs	120,000	344,684
	<u>5,433,709</u>	<u>4,446,850</u>

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

2 STAFF COSTS - continued

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

	2012	2011 as restated
Production and Manual	151	114
Administration	13	13
	<u>164</u>	<u>127</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012	2011 as restated
	£	£
Other operating leases	27,504	27,504
Depreciation - owned assets	910,817	3,161,907
Profit on disposal of fixed assets	(2,500)	-
Goodwill amortisation	114,000	114,000
Auditors' remuneration	16,888	25,503
Auditors' remuneration for non audit work	18,654	33,858
	<u>42,120</u>	<u>64,693</u>
Directors' remuneration	<u>42,120</u>	<u>64,693</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>3</u>	<u>3</u>
------------------------	-----------------	----------

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011 as restated
	£	£
Corporation Tax Interest	<u>5,792</u>	<u>-</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2012	2011 as restated
	£	£
Current tax		
UK corporation tax	2,706,731	2,142,573
Deferred tax	(66,205)	(112,534)
Tax on profit on ordinary activities	<u>2,640,526</u>	<u>2,030,039</u>

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

6 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £4,431,391 (2011 - £9,755,161)

7 DIVIDENDS

	2012	2011 as restated
	£	£
Ordinary shares of £1 each Interim	2,000,000	430,000
B Ordinary shares of £1 each Interim	420,000	400,000
	<u>2,420,000</u>	<u>830,000</u>

8 PRIOR YEAR ADJUSTMENT

A prior year adjustment was required due to a late adjustment to dividends declared in the prior year

9 INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 November 2011 and 31 October 2012	<u>1,938,000</u>
AMORTISATION	
At 1 November 2011	114,000
Amortisation for year	<u>114,000</u>
At 31 October 2012	<u>228,000</u>
NET BOOK VALUE	
At 31 October 2012	<u>1,710,000</u>
At 31 October 2011	<u>1,824,000</u>

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

9 INTANGIBLE FIXED ASSETS - continued

Company

	Goodwill £
COST	
At 1 November 2011 and 31 October 2012	1,896,001
AMORTISATION	
At 1 November 2011	72,001
Amortisation for year	114,000
At 31 October 2012	186,001
NET BOOK VALUE	
At 31 October 2012	1,710,000
At 31 October 2011	1,824,000

10 TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 November 2011	3,662,966	6,199,251	261,719
Additions	72,361	1,037,032	-
At 31 October 2012	3,735,327	7,236,283	261,719
DEPRECIATION			
At 1 November 2011	-	2,634,755	236,829
Charge for year	-	879,187	12,801
Eliminated on disposal	-	-	-
At 31 October 2012	-	3,513,942	249,630
NET BOOK VALUE			
At 31 October 2012	3,735,327	3,722,341	12,089
At 31 October 2011	3,662,966	3,564,496	24,890

The Abbey Group (UK) Ltd

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012**

10 TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 November 2011	320,236	-	10,444,172
Additions	7,500	10,576	1,127,469
Disposals	(13,995)	-	(13,995)
At 31 October 2012	<u>313,741</u>	<u>10,576</u>	<u>11,557,646</u>
DEPRECIATION			
At 1 November 2011	290,323	-	3,161,907
Charge for year	15,339	3,490	910,817
Eliminated on disposal	(13,995)	-	(13,995)
At 31 October 2012	<u>291,667</u>	<u>3,490</u>	<u>4,058,729</u>
NET BOOK VALUE			
At 31 October 2012	<u>22,074</u>	<u>7,086</u>	<u>7,498,917</u>
At 31 October 2011	<u>29,913</u>	<u>-</u>	<u>7,282,265</u>

Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 November 2011	3,662,966	6,199,251	261,719	320,236	10,444,172
Disposals	-	-	-	(13,995)	(13,995)
At 31 October 2012	<u>3,662,966</u>	<u>6,199,251</u>	<u>261,719</u>	<u>306,241</u>	<u>10,430,177</u>
DEPRECIATION					
At 1 November 2011	-	2,634,755	236,829	290,323	3,161,907
Charge for year	-	619,929	12,801	13,464	646,194
Eliminated on disposal	-	-	-	(13,995)	(13,995)
At 31 October 2012	<u>-</u>	<u>3,254,684</u>	<u>249,630</u>	<u>289,792</u>	<u>3,794,106</u>
NET BOOK VALUE					
At 31 October 2012	<u>3,662,966</u>	<u>2,944,567</u>	<u>12,089</u>	<u>16,449</u>	<u>6,636,071</u>
At 31 October 2011	<u>3,662,966</u>	<u>3,564,496</u>	<u>24,890</u>	<u>29,913</u>	<u>7,282,265</u>

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

11 FIXED ASSET INVESTMENTS

	Group		Company	
	2012	2011 as restated	2012	2011 as restated
	£	£	£	£
Shares in group undertakings	100	100	100	100
Other investments not loans	68,750	68,750	68,750	68,750
	<u>68,850</u>	<u>68,850</u>	<u>68,850</u>	<u>68,850</u>

Additional information is as follows

Group

	Shares in group undertakings £
COST	
At 1 November 2011 and 31 October 2012	100
	<u>100</u>
NET BOOK VALUE	
At 31 October 2012	100
	<u>100</u>
At 31 October 2011	<u>100</u>

OTHER INVESTMENTS

Group

Art

COST	
As at 1 November 2011 and 31 October 2012	£68,750
	<u>£68,750</u>
NET BOOK VALUE	
At 31 October 2012	£68,750
	<u>£68,750</u>
At 31 October 2011	<u>£68,750</u>

Company

	Shares in group undertakings £
COST	
At 1 November 2011 and 31 October 2012	100
	<u>100</u>
NET BOOK VALUE	
At 31 October 2012	100
	<u>100</u>
At 31 October 2011	<u>100</u>

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

OTHER INVESTMENTS

Company

Art

COST

As at 1 November 2011
and 31 October 2012

£68,750

NET BOOK VALUE

At 31 October 2012

£68,750

At 31 October 2011

£68,750

12 STOCKS

	Group	
	2012	2011 as restated
	£	£
Work-in-progress	820,105	432,561
Finished goods	656,717	533,439
	<u>1,476,822</u>	<u>966,000</u>

13 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company	
	2012	2011 as restated	2012
	£	£	£
Trade debtors	8,255,623	6,916,791	-
Amounts owed by group undertakings	1,142,357	-	3,292,504
Directors' current accounts	135,814	3,237,101	-
Prepayments	33,509	39,412	-
	<u>9,567,303</u>	<u>10,193,304</u>	<u>3,292,504</u>
			<u>390,004</u>

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
		as restated		as restated
	£	£	£	£
Bank loans and overdrafts (see note 15)	29,492	-	-	-
Trade creditors	5,393,753	4,953,897	-	(1)
Amounts owed to group undertakings	1,140,000	-	-	-
Tax	1,316,831	1,688,580	308,355	98,734
Social security and other taxes	139,301	109,108	-	-
VAT	394,418	236,914	-	-
Other creditors	14,651	15,281	-	-
Wages & salaries control	-	4,432	-	-
Accrued expenses	48,393	35,932	-	-
	<u>8,476,839</u>	<u>7,044,144</u>	<u>308,355</u>	<u>98,733</u>

15 LOANS

An analysis of the maturity of loans is given below

	Group	
	2012	2011
		as restated
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	<u>29,492</u>	<u>-</u>

16 PROVISIONS FOR LIABILITIES

	Group		Company	
	2012	2011	2012	2011
		as restated		as restated
	£	£	£	£
Deferred tax	<u>225,016</u>	<u>291,221</u>	<u>212,514</u>	<u>291,221</u>
Group				
				Deferred tax
				£
Balance at 1 November 2011				291,221
Provided during year				(66,205)
Balance at 31 October 2012				<u>225,016</u>

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

16 PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1 November 2011	291,221
Provided during year	(78,707)
	<hr/>
Balance at 31 October 2012	212,514
	<hr/> <hr/>

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid
Number Class

	Nominal value	2012	2011 as restated
		£	£
200 Ordinary	£1	100	100
4 B Ordinary	£1	4	4
		<hr/>	<hr/>
		104	104
		<hr/> <hr/>	<hr/> <hr/>

18 RESERVES

Group

	Profit and loss account £
At 1 November 2011	18,843,790
Prior year adjustment	(250,000)
	<hr/>
Profit for the year	18,593,790
Dividends	7,959,078
	(2,420,000)
	<hr/>
At 31 October 2012	24,132,868
	<hr/> <hr/>

Company

	Profit and loss account £
At 1 November 2011	9,175,161
Profit for the year	4,431,391
Dividends	(2,420,000)
	<hr/>
At 31 October 2012	11,186,552
	<hr/> <hr/>

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

19 RELATED PARTY DISCLOSURES

During the year, total dividends of £2,105,000 were paid to the directors

During the year the group was party to the following related party transactions, all of which have been netted down as a result of the consolidation process,

Sales and Purchases

The Abbey Group UK Ltd raised management charges of £1,320,000 (2011 £770,000) to Abbey Forged Products Ltd in respect of hire of plant and equipment

Forge UK Ltd raised sales of £NIL (2011 £14,158) to Abbey Forged Products Ltd

Abbey Forged Products Ltd raised sales of £NIL (2011 £3,032,795) to Forge UK Ltd

Dividends

Inter-group dividends of £4,000,000 (2011 £10,033,090) were received by The Abbey Group UK Ltd from Abbey Forged Products Ltd

Inter-group dividends of £464,140 (2011 £3,444,317) were received by Abbey Forged Products Ltd from Forge UK Ltd

Loans

At the year end date a balance of £2,357 (2011 NIL) was due to Abbey Forged Products Ltd from Abbey Europe Ltd (a related party)

At the year end date a balance of £3,152,504 (2011 £390,004) was due to The Abbey Group UK Ltd from Abbey Forged Products Ltd

At the year end date a balance of £NIL (2011 £618,749) was due to Forge UK Ltd from Abbey Forged Products Ltd

20 POST BALANCE SHEET EVENTS

There are no events since the end of the year which require disclosure to the financial statements

21 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr and Mrs Neal

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2012	2011 as restated
	£	£
Profit for the financial year	7,959,078	19,423,788
Dividends	(2,420,000)	(830,000)
Net addition to shareholders' funds	5,539,078	18,593,788
Opening shareholders' funds (originally £18,843,894 before prior year adjustment of £(250,000))	18,593,894	106
Closing shareholders' funds	24,132,972	18,593,894

The Abbey Group (UK) Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2012

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company

	2012	2011 as restated
	£	£
Profit for the financial year	4,431,391	9,755,161
Dividends	(2,420,000)	(580,000)
Net addition to shareholders' funds	2,011,391	9,175,161
Opening shareholders' funds	9,175,265	104
Closing shareholders' funds	11,186,656	9,175,265

The Abbey Group (UK) Ltd

Consolidated Trading and Profit and Loss Account
for the Year Ended 31 October 2012

	2012		2011 as restated	
	£	£	£	£
Turnover				
Sales	31,664,520		22,517,994	
Sales, rest of the world	5,882,876		2,676,341	
Sales, Europe	3,699,383		2,426,952	
		41,246,779		27,621,287
Cost of sales				
Opening stock	966,000		934,722	
Purchases	20,505,176		8,648,118	
Hirework	-		3,545,836	
Freight & Carriage	233,477		195,254	
Wages	4,770,914		3,661,482	
Social security	500,675		375,991	
Light, heat & power	471,931		445,948	
	27,448,173		17,807,351	
Closing stock	(1,476,822)		(966,000)	
		25,971,351		16,841,351
GROSS PROFIT		15,275,428		10,779,936
Other income				
Sundry receipts	-		2	
Deposit account interest	63,524		52,603	
		63,524		52,605
		15,338,952		10,832,541
Expenditure				
Rent	27,504		27,504	
Rates and water	61,446		52,696	
Insurance	147,008		87,208	
Cleaning	69,720		60,080	
Telephone	55,892		13,948	
Post and stationery	2,606		17,094	
Advertising	12,271		16,283	
Travelling	39,463		33,677	
Motor expenses	162,997		102,853	
Repairs and renewals	2,712,379		1,375,140	
Security	2,208		42,879	
Sundry expenses	43,923		57,387	
Charitable Donations	13,193		54,072	
Legal fees	74,769		32,281	
Auditors' remuneration	16,888		25,503	
Auditors' remuneration for non audit work	18,654		33,858	
Profit/loss on sale of tangible fixed assets	(2,500)		-	
Exceptional items	-		(13,892,100)	
Directors' salaries	42,120		64,693	
Pensions	120,000		344,684	
Bad debts written off	1		3,510	
Entertaining (Allowable)	40,575		39,824	
Carried forward	3,661,117	15,338,952	(11,406,926)	10,832,541

This page does not form part of the statutory financial statements

The Abbey Group (UK) Ltd

Consolidated Trading and Profit and Loss Account
for the Year Ended 31 October 2012

	2012		2011 as restated	
	£	£	£	£
Brought forward	<u>3,661,117</u>	<u>15,338,952</u> <u>3,661,117</u>	<u>(11,406,926)</u>	<u>10,832,541</u> <u>(11,406,926)</u>
		11,677,835		22,239,467
Finance costs				
Bank charges	5,077		6,937	
Currency (gains)/losses	42,546		(359)	
Corporation Tax Interest	<u>5,792</u>		<u>-</u>	
		53,415		6,578
		11,624,420		22,232,889
Depreciation				
Goodwill	114,000		114,000	
Plant and machinery	879,187		619,926	
Fixtures and fittings	12,800		34,007	
Motor vehicles	15,339		11,129	
Computer equipment	<u>3,490</u>		<u>-</u>	
		1,024,816		779,062
NET PROFIT		<u>10,599,604</u>		<u>21,453,827</u>

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