

**REGISTERED NUMBER: 06856483 (England and Wales)**

**Report of the Directors and  
Financial Statements  
for the Year Ended 31 March 2019  
for  
Allerton Steel Limited**



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for the Year Ended 31 March 2019**

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**Allerton Steel Limited**  
**Company Information**  
**for the Year Ended 31 March 2019**

**DIRECTORS:**

J Gatenby  
G F J Penn  
A R Gatenby

**SECRETARY:**

G F J Penn

**REGISTERED OFFICE:**

20 Leases Road  
Leeming Bar  
Northallerton  
North Yorkshire  
DL7 9AW

**REGISTERED NUMBER:**

06856483 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Christopher Beaumont BA(Hons) FCA DChA

**AUDITORS:**

Clive Owen LLP  
Chartered Accountants  
& Statutory Auditors  
140 Coniscliffe Road  
DARLINGTON  
County Durham  
DL3 7RT

**Report of the Directors  
for the Year Ended 31 March 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the fabrication of bespoke, heavy steelwork including bridges.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

J Gatenby  
G F J Penn  
A R Gatenby

**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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT 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 company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Clive Owen LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



G F J Penn - Director

17 July 2019

**Report of the Independent Auditors to the Members of  
Allerton Steel Limited**

**Opinion**

We have audited the financial statements of Allerton Steel Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Income and Retained Earnings, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
Allerton Steel Limited**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

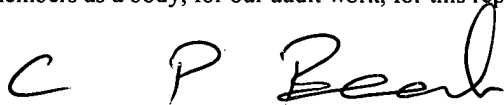
**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

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.



Christopher Beaumont BA(Hons) FCA DChA (Senior Statutory Auditor)  
for and on behalf of Clive Owen LLP  
Chartered Accountants  
& Statutory Auditors  
140 Coniscliffe Road  
DARLINGTON  
County Durham  
DL3 7RT

17 July 2019

**Allerton Steel Limited (Registered number: 06856483)**

**Statement of Income and Retained Earnings  
for the Year Ended 31 March 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>		8,583,878	10,136,306
Cost of sales		6,875,298	7,400,228
<b>GROSS PROFIT</b>		1,708,580	2,736,078
Administrative expenses		2,106,233	2,396,972
		(397,653)	339,106
Other operating income		-	1,000
<b>OPERATING (LOSS)/PROFIT</b>		(397,653)	340,106
Interest payable and similar expenses		-	938
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(397,653)	339,168
Tax on (loss)/profit	4	(68,562)	63,817
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(329,091)	275,351
Retained earnings at beginning of year		2,043,591	1,768,240
<b>RETAINED EARNINGS AT END OF YEAR</b>		1,714,500	2,043,591

The notes form part of these financial statements

**Allerton Steel Limited (Registered number: 06856483)**

**Balance Sheet  
31 March 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	5	-	-
Tangible assets	6	320,613	362,203
		<u>320,613</u>	<u>362,203</u>
<b>CURRENT ASSETS</b>			
Stocks	7	441,972	641,910
Debtors	8	2,158,123	2,051,760
Cash at bank		496,555	1,119,638
		<u>3,096,650</u>	<u>3,813,308</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	1,271,990	1,685,480
		<u>1,271,990</u>	<u>1,685,480</u>
<b>NET CURRENT ASSETS</b>		<u>1,824,660</u>	<u>2,127,828</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,145,273</u>	<u>2,490,031</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	10	(18,169)	(23,894)
<b>PROVISIONS FOR LIABILITIES</b>	13	(12,604)	(22,546)
<b>NET ASSETS</b>		<u><u>2,114,500</u></u>	<u><u>2,443,591</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	400,000	400,000
Retained earnings		1,714,500	2,043,591
<b>SHAREHOLDERS' FUNDS</b>		<u><u>2,114,500</u></u>	<u><u>2,443,591</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 17 July 2019 and were signed on its behalf by:



J Gatenby - Director

The notes form part of these financial statements



**Notes to the Financial Statements  
for the Year Ended 31 March 2019**

**1. STATUTORY INFORMATION**

Allerton Steel Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The principal place of business is Allerton House, Thurston Road, Northallerton, DL6 2NA.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Revenue recognition**

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

Revenue from bridge contracts is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

**Goodwill**

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on cost
Plant and machinery	- 50% on cost, 33% on cost and 12.5 - 25% on cost
Motor vehicles	- 33% on cost and 25% on cost
Fixtures, fittings and equipment	- 33% on cost and 25% on cost

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019**

**2. ACCOUNTING POLICIES - continued**

**Stocks and work in progress**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials, and where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Work in progress is valued at the lower of cost and net realisable value, based on time and costs accrued for work performed but not yet invoiced.

**Financial instruments**

Basic financial instruments are recognised at amortised cost with changes recognised in profit or loss.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

**Pension costs and other post-retirement benefits**

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

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 124 (2018 - 132).

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

## 4. TAXATION

## Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	(58,620)	69,014
Deferred tax	(9,942)	(5,197)
Tax on (loss)/profit	<u>(68,562)</u>	<u>63,817</u>

## 5. INTANGIBLE FIXED ASSETS

## COST

At 1 April 2018  
and 31 March 2019Goodwill  
£6,254

## AMORTISATION

At 1 April 2018  
and 31 March 20196,254

## NET BOOK VALUE

At 31 March 2019

-

At 31 March 2018

-

## 6. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Totals £
<b>COST</b>					
At 1 April 2018	156,175	1,282,998	97,101	78,639	1,614,913
Additions	-	75,120	17,695	6,528	99,343
Disposals	-	(28,491)	(24,199)	(358)	(53,048)
At 31 March 2019	<u>156,175</u>	<u>1,329,627</u>	<u>90,597</u>	<u>84,809</u>	<u>1,661,208</u>
<b>DEPRECIATION</b>					
At 1 April 2018	81,518	1,049,300	61,643	60,249	1,252,710
Charge for year	14,796	89,773	21,571	14,793	140,933
Eliminated on disposal	-	(28,491)	(24,199)	(358)	(53,048)
At 31 March 2019	<u>96,314</u>	<u>1,110,582</u>	<u>59,015</u>	<u>74,684</u>	<u>1,340,595</u>
<b>NET BOOK VALUE</b>					
At 31 March 2019	<u>59,861</u>	<u>219,045</u>	<u>31,582</u>	<u>10,125</u>	<u>320,613</u>
At 31 March 2018	<u>74,657</u>	<u>233,698</u>	<u>35,458</u>	<u>18,390</u>	<u>362,203</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

6. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 April 2018 and 31 March 2019	36,890
<b>DEPRECIATION</b>	
At 1 April 2018	9,222
Charge for year	9,222
At 31 March 2019	18,444
<b>NET BOOK VALUE</b>	
At 31 March 2019	18,446
At 31 March 2018	27,668

7. STOCKS

	2019 £	2018 £
Stocks	13,000	17,000
Work-in-progress	428,972	624,910
	<u>441,972</u>	<u>641,910</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	1,549,088	948,393
Amounts owed by group undertakings	495,584	417,575
Other debtors	58,620	-
Prepayments and accrued income	54,831	685,792
	<u>2,158,123</u>	<u>2,051,760</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Hire purchase contracts (see note 11)	5,725	5,725
Trade creditors	660,458	806,871
Taxation and social security	305,235	409,322
Other creditors	11,935	9,512
Accruals and deferred income	288,637	454,050
	<u>1,271,990</u>	<u>1,685,480</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

10. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Hire purchase contracts (see note 11)	18,169	23,894

11. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019 £	2018 £
Net obligations repayable:		
Within one year	5,725	5,725
Between one and five years	18,169	23,894
	23,894	29,619

	Non-cancellable operating leases	
	2019 £	2018 £
Within one year	89,832	93,885
Between one and five years	49,305	135,015
	139,137	228,900

12. **SECURED DEBTS**

The following secured debts are included within creditors:

	2019 £	2018 £
Hire purchase contracts	23,894	29,619

The company has a £250,000 agreed overdraft facility granted by Barclays Bank Plc secured primarily under a cross guarantee and debenture by Allerton Steel (Property) Limited.

All monies due or to become due to Barclays Bank Plc are secured by a guarantee and debenture dated 16 July 2009, incorporating a fixed and floating charge over all current and future property and assets of the company.

Hire purchase is secured against the assets to which they relate.

13. **PROVISIONS FOR LIABILITIES**

	2019 £	2018 £
Deferred tax	12,604	22,546

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

13. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 April 2018	22,546
Accelerated capital allowances	(9,942)
	<u>12,604</u>
Balance at 31 March 2019	<u>12,604</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019 £	2018 £
400,000	Ordinary	£1	<u>400,000</u>	<u>400,000</u>

15. CONTINGENT LIABILITIES

The company is party to a banking arrangement under which it has provided an unlimited cross guarantee in respect of the bank borrowings of Allerton Steel (Property) Limited. The indebtedness of Allerton Steel (Property) Limited at the year end was £370,723 (2018: £432,320).

16. CAPITAL COMMITMENTS

	2019 £	2018 £
Contracted but not provided for in the financial statements	-	23,340
	<u>-</u>	<u>23,340</u>

17. RELATED PARTY DISCLOSURES

	2019 £	2018 £
Amounts due to director	<u>315</u>	<u>-</u>
No interest has been charged.		

18. ULTIMATE PARENT COMPANY

The ultimate parent company is JTC Trustee Limited, a company registered in Jersey. The registered office of the company is Elizabeth House, 9 Castle Street, St Helier, Jersey, JE2 3RT.