

Company Registration No. 08875579 (England and Wales)

**COUPE CASTINGS LIMITED**  
**ANNUAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2014**

WEDNESDAY



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# **COUPE CASTINGS LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	Mr A J Howe Mr M L Stanley Mr I P Griffiths	(Appointed 12 February 2014) (Appointed 4 February 2014) (Appointed 4 February 2014)
<b>Company number</b>	08875579	
<b>Registered office</b>	The Foundry Kittlingbourne Brow Higher Walton Preston PR5 4DQ	
<b>Auditors</b>	CLB Coopers Statutory Auditors and Chartered Accountants Laurel House 173 Chorley New Road Bolton BL1 4QZ	
<b>Business address</b>	The Foundry Kittlingbourne Brow Higher Walton Preston PR5 4DQ	
<b>Bankers</b>	NatWest - Bolton Deansgate 24 Deansgate Bolton BL1 1BN	

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# COUPE CASTINGS LIMITED

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# **COUPE CASTINGS LIMITED**

## **STRATEGIC REPORT**

***FOR THE PERIOD ENDED 31 DECEMBER 2014***

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The directors present the strategic report and financial statements for the Period ended 31 December 2014.

### **Review of the business**

The principle activity Coupe Castings Limited is that of iron foundry.

The directors are pleased with the reported results for 2014, particularly with this being the first year trade. The pro rata turnover for the year is £6.5m, this is in line with the directors' expectations. In 2015 the directors are hoping to achieve an increase in turnover and have some potentially large contracts in the pipeline.

The gross profit margin for the period is 29.7% and is considered to be in line with industry norm. The net profit margin for the period was 0.41%. The directors are working on ways to improve efficiency and reduce costs.

The directors have considered the exposure of the company to financial risks. The principal risks are interest rate risk, credit risk and liquidity risk. The company is funded through its working capital, investments and borrowings. The directors regularly monitor cash flow projections of the company in order to ensure that it has sufficient available funds for its continuing operations.

The risks are managed by monitoring key ratios such as interest cover, as well as cash flow. The company does not use derivative financial instruments to manage this risk and, as such, no hedge accounting is applied.

The company has policies in place such that credit checks are made on all potential customers prior to sales being made. Key suppliers are also subject to credit checks in order to mitigate supply chain failure.

Post year end, there are some potentially large contracts in the pipeline which the directors are confident in securing. As a result of these contracts directors are hoping to see an increase in turnover on 2014.

On behalf of the board



Mr I P Griffiths

**Director**

16 December 2015

# **COUPE CASTINGS LIMITED**

## **DIRECTORS' REPORT**

***FOR THE PERIOD ENDED 31 DECEMBER 2014***

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The directors present their report and financial statements for the Period ended 31 December 2014.

### **Principal activities**

The company was incorporated on 4th February 2014 and started to trade on the same date.

The principal activity of the company is that of an iron foundry.

### **Results and dividends**

The results for the Period are set out on page 6.

### **Directors**

The following directors have held office since 4 February 2014:

Mr A J Howe	(Appointed 12 February 2014)
Mr M L Stanley	(Appointed 4 February 2014)
Mr I P Griffiths	(Appointed 4 February 2014)

### **Auditors**

CLB Coopers were appointed auditors to the company and are deemed to be reappointed under section 487 (2) of the companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

# **COUPE CASTINGS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE PERIOD ENDED 31 DECEMBER 2014***

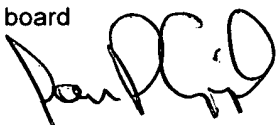
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### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board



Mr I P Griffiths

**Director**

16 December 2015

# **COUPE CASTINGS LIMITED**

## **Independent auditor's report to the shareholders of Coupe Castings Limited**

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We have audited the financial statements of Coupe Castings Limited for the period ended 31 December 2014, set out on pages 6 to 15. 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 shareholders 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 shareholders 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 shareholders 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**

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 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 strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 company's affairs as at 31 December 2014 and of its profit for the period 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **COUPE CASTINGS LIMITED**

### **Independent auditor's report to the shareholders of Coupe Castings Limited**

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#### **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.

*CLB Coopers*

Mark Worsley (senior statutory auditor)

for and on behalf of  
**CLB Coopers**

Statutory Auditors and Chartered Accountants

Laurel House  
173 Chorley New Road  
Bolton  
BL1 4QZ

16 December 2015



# COUPE CASTINGS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2014

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	Notes	Period ended 31 December 2014 £
Turnover	2	5,976,326
Cost of sales		(4,308,339)
<b>Gross profit</b>		<u>1,667,987</u>
Administrative expenses		(1,581,681)
<b>Operating profit</b>	3	<u>86,306</u>
Interest payable and similar charges	4	(52,620)
<b>Profit on ordinary activities before taxation</b>		<u>33,686</u>
Tax on profit on ordinary activities	5	(8,960)
<b>Profit for the Period</b>	14	<u><u>24,726</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

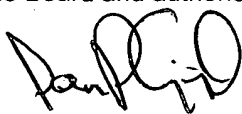
# COUPE CASTINGS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	£
<b>Fixed assets</b>			
Tangible assets	7		344,486
<b>Current assets</b>			
Stocks	8	158,139	
Debtors	9	1,794,847	
Cash at bank and in hand		62,597	
		<u>2,015,583</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(2,071,712)</u>	
<b>Net current liabilities</b>			(56,129)
<b>Total assets less current liabilities</b>			<u>288,357</u>
<b>Creditors: amounts falling due after more than one year</b>	11		(54,671)
<b>Provisions for liabilities</b>	12		(8,960)
			<u>224,726</u>
<b>Capital and reserves</b>			
Called up share capital	13		200,000
Profit and loss account	14		24,726
<b>Shareholders' funds</b>	15		<u>224,726</u>

Approved by the Board and authorised for issue on 16 December 2015



Mr I P Griffiths  
Director

Company Registration No. 08875579

# **COUPE CASTINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group and consolidated accounts are prepared.

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.4 Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	20% Straight line
Computer equipment	25% Straight line
Fixtures, fittings & equipment	Over the term of the lease / 20% Straight line
Motor vehicles	20% Straight line

#### **1.6 Leasing**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.7 Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value.

# COUPE CASTINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

### 1 Accounting policies

(Continued)

#### 1.8 Deferred taxation

Deferred taxation is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date. Timing differences are differences between taxable profits and the results as stated in the financial statements which arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised for tax purposes.

A net deferred tax asset is regarded as recoverable and therefore recognised only when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued asset and the resulting gain or loss has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates which are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws which have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### 1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### 2 Turnover

The total turnover of the company for the Period has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating profit

2014  
£

Operating profit is stated after charging:

Amortisation of intangible assets	19,200
Auditors' remuneration (including expenses and benefits in kind)	10,000
Directors' remuneration	46,659

and after crediting:

Profit on foreign exchange transactions	(500)
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### 4 Interest payable

2014  
£

Interest	52,620
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# COUPE CASTINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

<b>5</b>	<b>Taxation</b>	<b>2014</b>
		<b>£</b>
	<b>Total current tax</b>	-
	<b>Deferred tax</b>	
	Movement in deferred tax discount	8,960
		<u>8,960</u>
	<b>Factors affecting the tax charge for the Period</b>	
	Profit on ordinary activities before taxation	33,686
		<u>33,686</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00%	6,737
		<u>6,737</u>
	Effects of:	
	Non deductible expenses	2,223
	Capital allowances	(37,594)
	Tax losses	28,634
		<u>(6,737)</u>
	<b>Current tax charge for the period</b>	-
		<u>-</u>

The company has estimated losses of £ 143,172 available for carry forward against future trading profits.

<b>6</b>	<b>Intangible fixed assets</b>	<b>Goodwill</b>
		<b>£</b>
	<b>Cost</b>	
	At 4 February 2014	-
	Additions	19,200
		<u>19,200</u>
	At 31 December 2014	19,200
	<b>Amortisation</b>	
	At 4 February 2014	-
	Charge for the Period	19,200
		<u>19,200</u>
	At 31 December 2014	19,200
	<b>Net book value</b>	
	At 31 December 2014	-
		<u>-</u>

# COUPE CASTINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

### 7 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 4 February 2014	-	-	-	-
Additions	92,395	163,462	88,629	344,486
At 31 December 2014	92,395	163,462	88,629	344,486
<b>Depreciation</b>				
At 4 February 2014 & at 31 December 2014	-	-	-	-
<b>Net book value</b>				
At 31 December 2014	92,395	163,462	88,629	344,486

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
<b>Net book values</b>	
At 31 December 2014	86,828
<b>Depreciation charge for the Period</b>	
At 31 December 2014	-

### 8 Stocks and work in progress

	2014 £
Work in progress	96,040
Finished goods and goods for resale	62,099
	158,139

# COUPE CASTINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

<b>9 Debtors</b>	<b>2014 £</b>
Trade debtors	1,624,420
Amounts owed by group undertakings and undertakings in which the company has a participating interest	105,000
Other debtors	65,427
	<u>1,794,847</u>

<b>10 Creditors: amounts falling due within one year</b>	<b>2014 £</b>
Net obligations under finance leases	18,609
Trade creditors	844,071
Taxes and social security costs	199,517
Directors' current accounts	171,000
Other creditors	749,172
Accruals and deferred income	89,343
	<u>2,071,712</u>

Included in other creditors is a balance of £742,580 due to RBS Invoice Discounting, this is secured over the book debts of the company.

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

<b>11 Creditors: amounts falling due after more than one year</b>	<b>2014 £</b>
Net obligations under finance leases	<u>54,671</u>
Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.	
<b>Net obligations under finance leases</b>	
Repayable within one year	18,609
Repayable between one and five years	54,671
	<u>73,280</u>
Included in liabilities falling due within one year	(18,609)
	<u>54,671</u>

# COUPE CASTINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2014

### 12 Provisions for liabilities

	Deferred tax liability £
Profit and loss account	8,960
Balance at 31 December 2014	<u>8,960</u>

The deferred tax liability is made up as follows:

	2014 £
Accelerated capital allowances	37,594
Tax losses carried forward	(28,634)
	<u>8,960</u>

### 13 Share capital

	2014 £
Allotted, called up and fully paid 200,000 Ordinary Shares of £1 each	<u>200,000</u>

During the period 200,000 £1 ordinary shares were issued at par.

### 14 Statement of movements on profit and loss account

	Profit and loss account £
Profit for the period	<u>24,726</u>



# COUPE CASTINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2014

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<b>15</b>	<b>Reconciliation of movements in Shareholders' funds</b>	<b>2014</b>
		<b>£</b>
	Profit for the financial Period	24,726
	Proceeds from issue of shares	200,000
		<hr/>
	Net addition to shareholders' funds	224,726
	Opening Shareholders' funds	-
		<hr/>
	Closing Shareholders' funds	224,726
		<hr/>

<b>16</b>	<b>Directors' remuneration</b>	<b>2014</b>
		<b>£</b>
	Remuneration for qualifying services	46,659
		<hr/>

### 17 Employees

#### Number of employees

The average monthly number of employees (including directors) during the Period was:

	<b>2014</b>
	<b>Number</b>
Directors	3
Admin	2
Sales	5
Direct	70
	<hr/>
	80
	<hr/>

<b>Employment costs</b>	<b>2014</b>
	<b>£</b>
Wages and salaries	2,000,209
	<hr/>

### 18 Control

The ultimate parent undertaking and controlling party is Coupe Industries Limited, a company incorporated in England and Wales. This company is under the control of Mr I P Griffiths, Mr A J Howe and Mr M L Stanley.

# COUPE CASTINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

### 19 Related party relationships and transactions

#### Directors' Loan

Transactions in relation to loans with directors during the Period are outlined in the table below:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
I P Griffiths - Directors Loan	-	-	(171,000)	-	-	(171,000)
		-	(171,000)	-	-	(171,000)

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

During the year the company made sales of £1,323,647 and purchases of £16,765 to and from Eaves Machining Limited a company registered in England and Wales and under common directorship in Mr I Griffiths. Included within trade debtors is a balance of £620,450 due from Eaves Machining Limited and included within trade creditors is a balance of £10,224 due to Eaves Machining Limited.

During the year the company made sales of £89,903 and purchases of £71,874 to and from The Shakespeare Foundry Limited a company registered in England and Wales and under common directorship in Mr M Stanley. Included within trade debtors is a balance of £31,709 and included in other debtors is a balance of £806 due from The Shakespeare Foundry Limited.

At the year end, the intercompany balance due from Coupe Equipment Limited, was £105,000, a company registered in England and Wales and under common directorship in Coupe Castings Limited.