

Coleshill Aluminium Limited

Directors' Report and Abbreviated Accounts

for the Year Ended 31 August 2008

Registration number: 585158

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Coleshill Aluminium Limited

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Coleshill Aluminium Limited
Officers and Advisers

Directors	D H Evans Mrs S D Evans P H Evans R B Evans A C Evans Mrs A E Miller
Secretary	D H Evans
Registered office	Gorse Lane Coleshill Warwickshire B46 1JU
Bankers	Barclays Bank plc 21 Birmingham Road Sutton Coldfield B72 1PW
Auditors	RSM Bentley Jennison Chartered Accountants & Registered Auditors Charterhouse Legge Street Birmingham B4 7EU

Coleshill Aluminium Limited
Directors' Report for the Year Ended 31 August 2008

The directors present their report and the audited financial statements for the year ended 31 August 2008.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Principal activity

The principal activity of the company is that of smelting and refining aluminium. No changes are foreseen in the immediate future.

Business review

The year under review has been challenging with volatile material values and eroding profit margins. Despite these difficulties, the company has achieved a positive return and the company remains well placed to compete in what is expected to be another challenging year to come.

Results and dividend

The results for the company are set out in the financial statements.

The directors do not recommend the payment of a dividend.

Directors

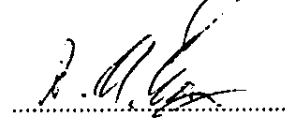
The directors who held office during the year were as follows:

- D H Evans
- Mrs S D Evans
- P H Evans
- R B Evans
- A C Evans
- Mrs A E Miller

Coleshill Aluminium Limited
Directors' Report for the Year Ended 31 August 2008

..... *continued*

Approved by the Board and signed on its behalf by:



D H Evans
Company Secretary

Date: 2 12 08

**Independent Auditors' Report to
Coleshill Aluminium Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Coleshill Aluminium Limited, set out on pages 5 to 16, together with the financial statements of the company for the year ended 31 August 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 16 are properly prepared in accordance with those provisions.



RSM Bentley Jennison
Chartered Accountants & Registered Auditors

Date: 2nd December 2008

Charterhouse
Legge Street
Birmingham
B4 7EU

Coleshill Aluminium Limited
Abbreviated Profit and Loss Account for the Year Ended 31 August 2008

	Note	2008 £	2007 £
Gross profit		776,344	956,436
Distribution costs		(146,171)	(136,690)
Administrative expenses		(560,044)	(697,726)
Operating profit	2	70,129	122,020
Other interest receivable and similar income		52,246	50,618
Profit on ordinary activities before taxation		122,375	172,638
Tax on profit on ordinary activities	5	(30,821)	(46,657)
Profit for the financial year	14	91,554	125,981

Turnover and operating profit derive wholly from continuing operations.

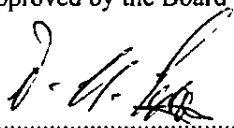
The company has no recognised gains or losses for the year other than the results above.

Coleshill Aluminium Limited
Abbreviated Balance Sheet as at 31 August 2008

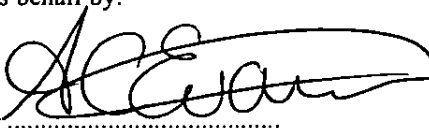
		2008		2007	
	Note	£	£	£	£
Fixed assets					
Tangible assets	7		214,136		197,541
Current assets					
Stocks	8	706,366		608,129	
Debtors	9	2,693,152		2,647,960	
Cash at bank and in hand		<u>1,281,166</u>		<u>1,316,130</u>	
		4,680,684		4,572,219	
Creditors: Amounts falling due within one year	10	<u>(2,347,430)</u>		<u>(2,310,924)</u>	
Net current assets			<u>2,333,254</u>		<u>2,261,295</u>
Total assets less current liabilities			2,547,390		2,458,836
Provisions for liabilities	12		<u>(15,000)</u>		<u>(18,000)</u>
Net assets			<u><u>2,532,390</u></u>		<u><u>2,440,836</u></u>
Capital and reserves					
Called up share capital	13		1,250		1,250
Share premium reserve	14		436,250		436,250
Profit and loss account	14		<u>2,094,890</u>		<u>2,003,336</u>
Equity shareholders' funds	15		<u><u>2,532,390</u></u>		<u><u>2,440,836</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Approved by the Board on 2/12/08 and signed on its behalf by:



D H Evans
 Director



A. C. Evans
 Director

Coleshill Aluminium Limited
Cash Flow Statement for the Year Ended 31 August 2008

		2008		2007	
	Note	£	£	£	£
Net cash flow from operating activities	17		348,243		140,299
Returns on investment and servicing of finance	18		52,246		50,618
Taxation paid			(47,821)		(65,357)
Capital expenditure and financial investment	18		(57,704)		-
Equity dividends paid			-		(125,000)
Cash inflow before management of liquid resources and financing			294,964		560
Financing	18		(25,661)		(12,555)
Net cash flow			<u>269,303</u>		<u>(11,995)</u>

Reconciliation of net cash flow to movement in net debt

		2008		2007	
	Note	£	£	£	£
Increase/(decrease) in cash in the year	19		<u>269,303</u>		<u>(11,995)</u>
Change in net debt resulting from cash flows			269,303		(11,995)
Net funds at the start of the year	19		<u>1,011,863</u>		<u>1,023,858</u>
Net funds at the end of the year	19		<u>1,281,166</u>		<u>1,011,863</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents amounts invoiced, net of value added tax, in respect of the sale of goods and services to customers.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	Land - Nil; Buildings - 4% on cost
Plant and machinery	15% on reducing balance
	15%-40% reducing balance and 20% on cost
Fixtures and fittings	cost
Motor vehicles	25% on reducing balance

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred taxation

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Operating profit

Operating profit is stated after charging:

	2008	2007
	£	£
Auditors remuneration	8,770	8,700
Loss on sale of tangible fixed assets	4,104	-
Depreciation of owned tangible fixed assets	37,005	29,142

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

..... continued

3 Particulars of employees

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

	2008 No.	2007 No.
Administration	8	9
Production	25	24
	33	33

The aggregate payroll costs of these persons were as follows:

	2008 £	2007 £
Wages and salaries	750,405	745,220
Social security	88,342	84,135
Other pension costs	121,154	121,154
	959,901	950,509

4 Directors' emoluments

The directors' emoluments for the year are as follows:

	2008 £	2007 £
Directors' emoluments (including benefits in kind)	267,627	261,041
Directors' pension contributions	121,154	121,154
	388,781	382,195

During the year the number of directors who were accruing benefits under company pension schemes was as follows:

	2008 No.	2007 No.
Money purchase	4	4

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £58,346 (2007 - £56,885), and company pension contributions of £33,510 (2007 - £33,510) were made to a money purchase scheme on their behalf.

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

..... continued

5 Taxation

Analysis of current period tax charge

	2008 £	2007 £
Current tax		
Corporation tax charge	34,000	48,000
(Over)/under provision in previous year	<u>(179)</u>	<u>357</u>
UK Corporation tax	<u>33,821</u>	<u>48,357</u>
 Deferred tax		
Origination and reversal of timing differences	<u>(3,000)</u>	<u>(1,700)</u>
 Total tax on profit on ordinary activities	<u><u>30,821</u></u>	<u><u>46,657</u></u>

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is lower than (2007 - lower than) the standard rate of corporation tax in the UK of 30.00% (2007 - 30.00%).

The differences are reconciled below:

	2008 £	2007 £
Profit on ordinary activities before taxation	<u>122,375</u>	<u>172,638</u>
Standard rate corporation tax charge	36,712	51,791
Accelerated capital allowances	3,338	1,050
Small company marginal relief	(9,008)	(9,482)
Other differences	<u>2,779</u>	<u>4,998</u>
Total current tax for the year	<u><u>33,821</u></u>	<u><u>48,357</u></u>

6 Dividends

	2008 £	2007 £
Equity dividends		
Paid	<u>-</u>	<u>125,000</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

..... continued

7 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
As at 1 September 2007	159,550	611,224	42,732	258,769	1,072,275
Additions	-	-	2,555	56,749	59,304
Disposals	-	-	-	(54,295)	(54,295)
As at 31 August 2008	<u>159,550</u>	<u>611,224</u>	<u>45,287</u>	<u>261,223</u>	<u>1,077,284</u>
Depreciation					
As at 1 September 2007	71,257	542,809	38,561	222,107	874,734
Eliminated on disposals	-	-	-	(48,591)	(48,591)
Charge for the year	<u>2,500</u>	<u>10,262</u>	<u>2,314</u>	<u>21,929</u>	<u>37,005</u>
As at 31 August 2008	<u>73,757</u>	<u>553,071</u>	<u>40,875</u>	<u>195,445</u>	<u>863,148</u>
Net book value					
As at 31 August 2008	<u>85,793</u>	<u>58,153</u>	<u>4,412</u>	<u>65,778</u>	<u>214,136</u>
As at 31 August 2007	<u>88,293</u>	<u>68,415</u>	<u>4,171</u>	<u>36,662</u>	<u>197,541</u>

Freehold land and buildings

The gross book value of freehold land and buildings includes £159,085 (2007 - £159,085) of depreciable assets.

8 Stocks and work in progress

	2008 £	2007 £
Raw materials	237,381	170,548
Finished goods	468,985	437,581
	<u>706,366</u>	<u>608,129</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

..... continued

9 Debtors

	2008	2007
	£	£
Trade debtors	2,675,564	2,599,497
Other debtors	40	-
Director current accounts	1,879	-
Prepayments and accrued income	15,669	48,463
	<u>2,693,152</u>	<u>2,647,960</u>

10 Creditors: Amounts falling due within one year

	2008	2007
	£	£
Bank loans and overdrafts	-	304,267
Trade creditors	662,458	269,145
Amounts owed to associated undertakings	1,450,101	1,477,138
Amounts owed to other related undertakings	36,593	49,326
Corporation tax	34,000	48,000
Social security and other taxes	78,271	71,947
Other creditors	195	261
Director current accounts	30,712	54,494
Accruals and deferred income	55,100	36,346
	<u>2,347,430</u>	<u>2,310,924</u>

11 Maturity of borrowings

Amounts repayable:

	Bank loans & overdrafts
	£
As at 31 August 2008	<u>-</u>
As at 31 August 2007	
In one year or less on demand	<u>304,267</u>
	<u>304,267</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

..... continued

12 Provisions for liabilities

	Deferred tax provision
	£
As at 1 September 2007	18,000
Deferred tax provision charged to the profit and loss account	<u>(3,000)</u>
As at 31 August 2008	<u>15,000</u>

Deferred tax

Deferred tax is provided at 30.00% (2007 - 30.00%).

	2008	2007
	£	£
Accelerated capital allowances	<u>15,000</u>	<u>18,000</u>

13 Share capital

	2008	2007
	£	£
Authorised		
Equity		
5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid		
Equity		
1,250 Ordinary shares of £1 each	<u>1,250</u>	<u>1,250</u>

14 Reserves

	Share premium reserve	Profit and loss account	Total
	£	£	£
Balance at 1 September 2007	436,250	2,003,336	2,439,586
Transfer from profit and loss account for the year	-	91,554	91,554
Balance at 31 August 2008	<u>436,250</u>	<u>2,094,890</u>	<u>2,531,140</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

..... *continued*

15 Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Profit attributable to members of the company	91,554	125,981
Dividends	-	(125,000)
	91,554	981
Opening equity shareholders' funds	2,440,836	2,439,855
Closing equity shareholders' funds	2,532,390	2,440,836

16 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £121,154 (2007 - £121,154).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

17 Reconciliation of operating profit to operating cash flows

	2008	2007
	£	£
Operating profit	70,129	122,020
Depreciation, amortisation and impairment charges	37,005	29,142
Loss on disposal of fixed assets	4,104	-
(Increase)/decrease in stocks	(98,237)	169,457
(Increase)/decrease in debtors	(43,313)	417,515
Increase/(decrease) in creditors	378,555	(597,835)
Net cash inflow from operating activities	348,243	140,299

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

..... continued

18 Analysis of cash flows

	2008 £	2007 £
Returns on investment and servicing of finance		
Interest received	<u>52,246</u>	<u>50,618</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(59,304)	-
Sale of tangible fixed assets	<u>1,600</u>	<u>-</u>
	<u>(57,704)</u>	<u>-</u>
Financing		
Increase in loans and borrowings	6,000	151,000
Repayment of loans and borrowings	<u>(31,661)</u>	<u>(163,555)</u>
	<u>(25,661)</u>	<u>(12,555)</u>

19 Analysis of net funds

	At start of period £	Cash flow £	At end of period £
Cash at bank and in hand	1,316,130	(34,964)	1,281,166
Bank overdraft	<u>(304,267)</u>	<u>304,267</u>	<u>-</u>
Cash and bank net debt	<u>1,011,863</u>	<u>269,303</u>	<u>1,281,166</u>
Net funds	<u>1,011,863</u>	<u>269,303</u>	<u>1,281,166</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2008

..... continued

20 Related parties

Controlling entity

The company was controlled throughout the current and previous period by the directors by virtue of them holding a majority of the issued ordinary share capital.

Related party transactions

During the year the company purchased services worth £140,196 (2007: £169,129) from Coleshill Aluminium Swarf Limited and ingots from Coleshill Alloy Sales Limited of £283,739 (2007: £713,171).

Certain administration costs are incurred by Coleshill Aluminium Limited and recharged at cost to these related companies under common control or controlled by family members.

At 31st August 2008 Coleshill Aluminium Limited owed Coleshill Aluminium Swarf Limited £1,172,278, Coleshill Laboratories Limited £36,593 and Coleshill Alloy Sales Limited £277,823 respectively.

Director's loan account

The following balance owed by the director was outstanding at the year end:

	Maximum Balance £	2008 £	2007 £
A E Miller	1,879	1,879	-