

Coleshill Aluminium Limited

Directors' Report and Abbreviated Accounts

for the Year Ended 31 August 2009

Registration number 585158

SATURDAY



A6BA4HH3

A10

13/02/2010

314

COMPANIES HOUSE

Coleshill Aluminium Limited

Contents

Company Information	1
Directors' report	2 to 3
Independent auditors' report	4
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Cash flow statement	7
Notes to the abbreviated accounts	8 to 16

Coleshill Aluminium Limited
Company Information

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	Gorsey Lane Coleshill Warwickshire B46 1JU
Bankers	Barclays Bank plc 21 Birmingham Road Sutton Coldfield B72 1PW
Auditors	RSM Tenon Audit Limited Chartered Accountants & Registered Auditors Charterhouse Legge Street Birmingham B4 7EU

Coleshill Aluminium Limited
Directors' Report for the Year Ended 31 August 2009

The directors present their report and the audited financial statements for the year ended 31 August 2009

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

Fair review of the business

The year under review has been challenging with volatile material values eroding profit margins

Development and performance of the business

The results for the year are shown in the attached financial statements. The directors consider the performance to have been reasonable within a very difficult trading period to and consider the company well placed to meet the challenges in the foreseeable future

Coleshill Aluminium Limited
Directors' Report for the Year Ended 31 August 2009

continued

Financial risk

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the business' operations.

All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

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

Loans comprise loans from the directors. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

Results and dividend

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

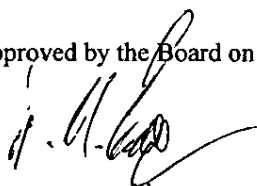
An interim ordinary dividend of £125,000 was paid during the year.

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

Approved by the Board on 9 February 2010 and signed on its behalf by



D H Evans
Company Secretary

**Independent Auditors' Report to
Coleshill Aluminium Limited (Registration number: 585158)
Under Section 449 of the Companies Act 2006**

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 2009 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "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 445(3) of the Companies Act 2006, and the abbreviated accounts on pages 5 to 16 are properly prepared in accordance with the regulations made under that section.


Keith Malyn FCA
Senior Statutory Auditor

for and on behalf of
RSM Tenon Audit Limited, Statutory Auditor

Charterhouse
Legge Street
Birmingham
B4 7EU

9 February 2010

Coleshill Aluminium Limited
Abbreviated Profit and Loss Account for the Year Ended 31 August 2009

	Note	2009 £	2008 £
Turnover		<u>7,203,532</u>	<u>10,110,814</u>
Gross profit		516,750	776,344
Distribution costs		(112,797)	(146,171)
Administrative expenses		(394,463)	(560,044)
Operating profit	2	<u>9,490</u>	<u>70,129</u>
Other interest receivable and similar income		24,231	52,246
Profit on ordinary activities before taxation		<u>33,721</u>	<u>122,375</u>
Tax on profit on ordinary activities	5	2,955	(30,821)
Profit for the financial year	14	<u><u>36,676</u></u>	<u><u>91,554</u></u>

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

The notes on pages 8 to 16 form an integral part of these financial statements

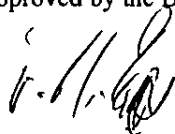
Coleshill Aluminium Limited (Registration number: 585158)

Abbreviated Balance Sheet as at 31 August 2009

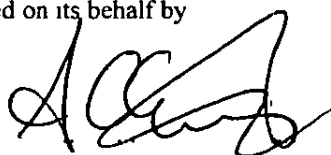
		2009		2008	
	Note	£	£	£	£
Fixed assets					
Tangible assets	7		184,980		214,136
Current assets					
Stocks	8	1,282,576		706,366	
Debtors	9	1,657,184		2,693,152	
Cash at bank and in hand		<u>1,615,723</u>		<u>1,281,166</u>	
		4,555,483		4,680,684	
Creditors: Amounts falling due within one year	10	<u>(2,293,896)</u>		<u>(2,347,430)</u>	
Net current assets			<u>2,261,587</u>		<u>2,333,254</u>
Total assets less current liabilities			2,446,567		2,547,390
Provisions for liabilities	12		<u>(2,500)</u>		<u>(15,000)</u>
Net assets			<u>2,444,067</u>		<u>2,532,390</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>2,006,567</u>		<u>2,094,890</u>
Shareholders' funds	15		<u>2,444,067</u>		<u>2,532,390</u>

The abbreviated accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to medium-sized companies

Approved by the Board on 9 February 2010 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 2009

		2009		2008	
	Note	£	£	£	£
Net cash flow from operating activities	17		344,551		348,243
Returns on investment and servicing of finance	18		24,231		52,246
Taxation	18		(33,245)		(47,821)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		-		(59,304)	
Sale of tangible fixed assets		-		1,600	
			-		(57,704)
Equity dividends paid			(125,000)		-
Cash inflow before management of liquid resources and financing			210,537		294,964
Financing					
Increase in loans and borrowings		-		6,000	
Repayment of loans and borrowings		-		(31,661)	
			-		(25,661)
Net cash flow			<u>210,538</u>		<u>269,303</u>

Reconciliation of net cash flow to movement in net funds

		2009	2008
	Note	£	£
Increase in cash in the year	19	210,538	269,303
Change in net funds resulting from cash flows		210,538	269,303
Net funds at the start of the year	19	1,281,166	1,011,863
Net funds at the end of the year	19	<u>1,491,704</u>	<u>1,281,166</u>

The notes on pages 8 to 16 form an integral part of these financial statements

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2009

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. The principal accounting policies are set out below.

Turnover

Turnover represents the value, net of value added tax, of goods and services supplied to customers during the year.

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
Fixtures and fittings	15%-40% reducing balance and 20% on 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 recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

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:

	2009	2008
	£	£
Auditors remuneration	8,140	8,770
Loss on sale of fixed assets	-	4,104
Depreciation of owned tangible fixed assets	29,156	37,005
	<u>37,300</u>	<u>49,879</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2009

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

	2009 No.	2008 No.
Administration	8	8
Production	25	25
	<u>33</u>	<u>33</u>

The aggregate payroll costs of these persons were as follows

	2009 £	2008 £
Wages and salaries	767,142	750,405
Social security	78,272	88,342
Other pension costs	15,518	121,154
	<u>860,932</u>	<u>959,901</u>

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

	2009 No.	2008 No.
Money purchase	<u>3</u>	<u>4</u>

4 Directors' remuneration

The directors' remuneration for the year are as follows

	2009 £	2008 £
Directors' remuneration (including benefits in kind)	269,246	267,627
Directors' pension contributions	15,518	121,154
	<u>284,764</u>	<u>388,781</u>

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was £61,365 (2008 - £58,346), and company pension contributions of £5,172 (2008 - £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 2009

continued

5 Taxation

Analysis of current period tax (credit)/charge

	2009 £	2008 £
Current tax		
Corporation tax charge	10,300	34,000
(Over)/under provision in previous year	<u>(755)</u>	<u>(179)</u>
UK Corporation tax	<u>9,545</u>	<u>33,821</u>
Deferred tax		
Origination and reversal of timing differences	<u>(12,500)</u>	<u>(3,000)</u>
Total tax on profit on ordinary activities	<u><u>(2,955)</u></u>	<u><u>30,821</u></u>

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is higher than (2008 - lower than) the standard rate of corporation tax in the UK of 21.00% (2008 - 30.00%)

The differences are reconciled below

	2009 £	2008 £
Profit on ordinary activities before taxation	<u>33,721</u>	<u>122,375</u>
Standard rate corporation tax charge	7,081	36,712
Accelerated capital allowances	1,296	3,338
Small company marginal relief	-	(9,008)
Other differences	<u>1,168</u>	<u>2,779</u>
Total current tax for the year	<u><u>9,545</u></u>	<u><u>33,821</u></u>

6 Dividends

	2009 £	2008 £
Equity dividends		
Ordinary dividend paid - Current period interim dividend	<u>125,000</u>	<u>-</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2009

continued

7 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
As at 1 September 2008 and 31 August 2009	<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 2008	73,757	553,071	40,875	195,445	863,148
Charge for the year	<u>2,500</u>	<u>8,746</u>	<u>1,460</u>	<u>16,450</u>	<u>29,156</u>
As at 31 August 2009	<u>76,257</u>	<u>561,817</u>	<u>42,335</u>	<u>211,895</u>	<u>892,304</u>
Net book value					
As at 31 August 2009	<u>83,293</u>	<u>49,407</u>	<u>2,952</u>	<u>49,328</u>	<u>184,980</u>
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>

Freehold land and buildings

The gross book value of freehold land and buildings includes £159,085 (2008 - £159,085) of depreciable assets

8 Stocks

	2009 £	2008 £
Raw materials	608,391	237,381
Finished goods	<u>674,185</u>	<u>468,985</u>
	<u>1,282,576</u>	<u>706,366</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2009

continued

9 Debtors

	2009	2008
	£	£
Trade debtors	1,609,355	2,675,564
Other debtors	35	40
Director current accounts	-	1,879
Prepayments and accrued income	47,794	15,669
	<u>1,657,184</u>	<u>2,693,152</u>

10 Creditors: Amounts falling due within one year

	2009	2008
	£	£
Bank loans and overdrafts	124,019	-
Trade creditors	394,790	662,458
Amounts owed to associated undertakings	1,458,737	1,450,101
Amounts owed to other related undertakings	34,259	36,593
Corporation tax	10,300	34,000
Social security and other taxes	73,577	78,271
Other creditors	10,366	195
Director current accounts	143,331	30,712
Accruals and deferred income	44,517	55,100
	<u>2,293,896</u>	<u>2,347,430</u>

11 Maturity of borrowings

Amounts repayable

	Bank loans & overdrafts
	£
As at 31 August 2009	
In one year or less on demand	124,019
	<u>124,019</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2009

continued

12 Provisions for liabilities

	Deferred tax provision
	£
As at 1 September 2008	15,000
Deferred tax provision charged to the profit and loss account	<u>(12,500)</u>
As at 31 August 2009	<u><u>2,500</u></u>

Deferred tax

Deferred tax is provided at 21.00% (2008 - 30.00%)

	2009	2008
	£	£
Accelerated capital allowances	<u>2,500</u>	<u>15,000</u>

13 Share capital

	2009	2008
	£	£
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 2008	436,250	2,094,891	2,531,141
Transfer from profit and loss account for the year	-	36,676	36,676
Dividends	-	<u>(125,000)</u>	<u>(125,000)</u>
Balance at 31 August 2009	<u>436,250</u>	<u>2,006,567</u>	<u>2,442,817</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2009

continued

15 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit attributable to members of the company	36,676	91,554
Dividends	<u>(125,000)</u>	<u>-</u>
	(88,324)	91,554
Opening shareholders' funds	<u>2,532,390</u>	<u>2,440,836</u>
Closing shareholders' funds	<u><u>2,444,067</u></u>	<u><u>2,532,390</u></u>

16 Pension scheme

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 £15,518 (2008 - £121,154).

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

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2009

continued

17 Reconciliation of operating profit to operating cash flows

	2009	2008
	£	£
Operating profit	9,490	70,129
Depreciation, amortisation and impairment charges	29,156	37,005
Loss on disposal of fixed assets	-	4,104
Increase in stocks	(576,210)	(98,237)
Decrease/(increase) in debtors	1,035,968	(43,313)
(Decrease)/increase in creditors	(153,853)	378,555
Net cash inflow from operating activities	<u>344,551</u>	<u>348,243</u>

18 Analysis of cash flows

	2009	2008
	£	£
Returns on investment and servicing of finance		
Interest received	<u>24,231</u>	<u>52,246</u>
Taxation		
Taxation paid	<u>(33,245)</u>	<u>(47,821)</u>

19 Analysis of net funds

	At start of period	Cash flow	At end of period
	£	£	£
Cash at bank and in hand	1,281,166	334,557	1,615,723
Bank overdraft	-	(124,019)	(124,019)
Cash and bank net funds	<u>1,281,166</u>	<u>210,538</u>	<u>1,491,704</u>
Net funds	<u>1,281,166</u>	<u>210,538</u>	<u>1,491,704</u>

Coleshill Aluminium Limited

Notes to the abbreviated accounts for the Year Ended 31 August 2009

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 £154,883 (2008 £140,196) from Coleshill Aluminium Swarf Limited and ingots from Coleshill Alloy Sales Limited of £50,665 (2008 £283,739)

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 2009 Coleshill Aluminium Limited owed Coleshill Aluminium Swarf Limited £1,160,616, Coleshill Laboratories Limited £34,259 and Coleshill Alloy Sales Limited £298,121 respectively