

**COLESHILL ALUMINIUM LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2010**

**Company Registration Number 00585158**

**WEDNESDAY**



\*AG8N8U10\*

A25

11/05/2011

58

COMPANIES HOUSE

---

**COLESHILL ALUMINIUM LIMITED**  
**ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

---

<b>CONTENTS</b>	<b>PAGES</b>
The directors' report	<b>1 to 2</b>
Independent auditor's report to the company	<b>3</b>
Abbreviated profit and loss account	<b>4</b>
Abbreviated balance sheet	<b>5</b>
Cash flow statement	<b>6</b>
Notes to the abbreviated accounts	<b>7 to 14</b>

---

# COLESHILL ALUMINIUM LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31 AUGUST 2010

---

The directors present their report and the financial statements of the company for the year ended 31 August 2010

### **Principal activities and business review**

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

#### *Fair review of the business*

Turnover increased by 64% during the year, mainly due to the increase in the price of aluminium. The rise in aluminium prices during the year has also improved profit margins. Overhead costs have been well controlled during the year.

The directors consider the performance to be good given the challenging economic climate and consider the company well placed for the coming year ahead.

### **Results and dividends**

The profit for the year, after taxation, amounted to £202,180. Particulars of dividends paid are detailed in note 6 to the financial statements.

### **Financial risk management objectives and policies**

The business's 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's operations.

All of the business's 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 debts.

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 payments.

### **Directors**

The directors who served the company 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**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31 AUGUST 2010**

---

**Directors' responsibilities**

The directors are responsible for preparing the 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 those financial statements, the directors are required to

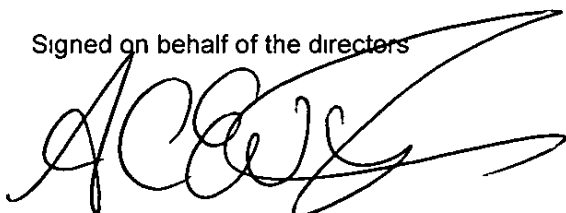
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the directors



A C Evans  
Director

Approved by the directors on 28 January 2011

**COLESHILL ALUMINIUM LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO COLESHILL ALUMINIUM**  
**LIMITED**  
**UNDER SECTION 449 OF THE COMPANIES ACT 2006**

---

We have examined the abbreviated accounts set out on pages 4 to 14, together with the financial statements of Colehill Aluminium Limited for the year ended 31 August 2010 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 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 for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 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 have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 have been properly prepared in accordance with the regulations made under that section.

*RSM Tenon Audit Limited*

Vivian Shadbolt BSc FCA, Senior Statutory Auditor  
For and on behalf of

RSM Tenon Audit Limited  
Statutory Auditor  
Charterhouse  
Legge Street  
Birmingham  
B4 7EU

28 January 2011

**COLESHILL ALUMINIUM LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 AUGUST 2010**

	Note	2010 £	2009 £
<b>Turnover</b>		11,816,561	7,203,532
Cost of sales		(10,853,585)	(6,686,782)
<b>Gross profit</b>		<u>962,976</u>	<u>516,750</u>
Distribution costs		(133,266)	(112,797)
Administrative expenses		(556,373)	(394,463)
<b>Operating profit</b>	2	<u>273,337</u>	<u>9,490</u>
Interest receivable		1,288	24,231
<b>Profit on ordinary activities before taxation</b>		<u>274,625</u>	<u>33,721</u>
Tax on profit on ordinary activities	5	(72,445)	2,955
<b>Profit for the financial year</b>		<u>202,180</u>	<u>36,676</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 7 to 14 form part of these abbreviated accounts

**COLESHILL ALUMINIUM LIMITED**

Registered Number 00585158

**ABBREVIATED BALANCE SHEET****31 AUGUST 2010**

		2010		2009	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		184,964		184,980
<b>Current assets</b>					
Stocks	8	808,935		1,282,576	
Debtors	9	3,264,558		1,657,184	
Cash at bank and in hand		1,280,168		1,615,723	
		<u>5,353,661</u>		<u>4,555,483</u>	
<b>Creditors. Amounts falling due within one year</b>	11	<u>(3,017,378)</u>		<u>(2,293,896)</u>	
<b>Net current assets</b>			2,336,283		2,261,587
<b>Total assets less current liabilities</b>			<u>2,521,247</u>		<u>2,446,567</u>
<b>Provisions for liabilities</b>					
Deferred taxation	10		—		(2,500)
			<u>2,521,247</u>		<u>2,444,067</u>
<b>Capital and reserves</b>					
Called-up share capital	13		1,250		1,250
Share premium account	14		436,250		436,250
Profit and loss account	15		2,083,747		2,006,567
<b>Shareholders' funds</b>	16		<u>2,521,247</u>		<u>2,444,067</u>

These abbreviated accounts have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 28 January 2011, and are signed on their behalf by



A C Evans  
Director

The notes on pages 7 to 14 form part of these abbreviated accounts

**COLESHILL ALUMINIUM LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 AUGUST 2010**

	Note	2010 £	£	2009 £	£
<b>Net cash (outflow)/inflow from operating activities</b>	18		(180,356)		219,551
<b>Returns on investments and servicing of finance</b>	18		1,288		24,231
<b>Taxation</b>	18		(10,745)		(33,245)
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets		(34,615)		-	
Receipts from sale of fixed assets		5,300		-	
<b>Net cash outflow from capital expenditure</b>			(29,315)		-
<b>(Decrease)/increase in cash</b>	18		<u>(219,128)</u>		<u>210,537</u>

The notes on pages 7 to 14 form part of these abbreviated accounts



**COLESHILL ALUMINIUM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

---

**1 Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

**Turnover**

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

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Freehold Property	Land - Nil, Buildings - 4% on cost
Plant & Machinery	15% on reducing balance
Fixtures & Fittings	15% - 40% reducing balance and 20% on cost
Motor Vehicles	25% on reducing balance

**Stocks**

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

**Pension costs**

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

**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 in which timing differences are expected to reverse, based on tax rates and laws enacted at the balance sheet date

**2. Operating profit**

Operating profit is stated after charging/(crediting)

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	30,883	29,156
Profit on disposal of fixed assets	(1,552)	-
Auditors remuneration	<u>7,335</u>	<u>8,140</u>

**COLESHILL ALUMINIUM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

**3. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to

	<b>2010</b>	<b>2009</b>
	<b>No</b>	<b>No</b>
Number of production staff	26	25
Number of administrative staff	8	8
	<u>34</u>	<u>33</u>

The aggregate payroll costs of the above were

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Wages and salaries	759,515	767,142
Social security costs	84,329	78,272
Other pension costs	107,259	15,518
	<u>951,103</u>	<u>860,932</u>

**4. Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services were

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	261,477	269,246
Value of company pension contributions to money purchase schemes	107,259	15,518
	<u>368,736</u>	<u>284,764</u>

**Remuneration of highest paid director:**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Total remuneration (excluding pension contributions)	61,353	61,365
Value of company pension contributions to money purchase schemes	35,176	5,172
	<u>96,529</u>	<u>66,537</u>

The number of directors on whose behalf the company made pension contributions was as follows

	<b>2010</b>	<b>2009</b>
	<b>No</b>	<b>No</b>
Money purchase schemes	<u>4</u>	<u>3</u>

**COLESHILL ALUMINIUM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

**5 Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	2010		2009	
	£	£	£	£
In respect of the year				
UK Corporation tax		95,000		10,300
Over/under provision in prior year		445		(755)
		<u>95,445</u>		<u>9,545</u>
Deferred tax				
Origination and reversal of timing differences	(23,000)		(12,500)	
Total deferred tax (note 10)		<u>(23,000)</u>		<u>(12,500)</u>
Tax on profit on ordinary activities		<u>72,445</u>		<u>(2,955)</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 - 21%)

	2010	2009
	£	£
Profit on ordinary activities before taxation	<u>274,625</u>	<u>33,721</u>
Profit on ordinary activities by rate of tax	76,895	7,081
Effects of		
Expenses not deductible for tax purposes	25,200	-
Capital allowances for period in excess of depreciation	(55)	1,296
Marginal relief	(6,775)	-
Sundry tax adjusting items	180	1,168
Total current tax (note 5(a))	<u>95,445</u>	<u>9,545</u>

**6. Dividends**

**Equity dividends**

	2010	2009
	£	£
Paid during the year		
Dividends on ordinary shares	<u>125,000</u>	<u>125,000</u>

**COLESHILL ALUMINIUM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

**7. Tangible fixed assets**

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 September 2009	159,550	611,224	45,287	261,223	1,077,284
Additions	-	-	-	34,615	34,615
Disposals	-	-	-	(76,042)	(76,042)
At 31 August 2010	<u>159,550</u>	<u>611,224</u>	<u>45,287</u>	<u>219,796</u>	<u>1,035,857</u>
<b>Depreciation</b>					
At 1 September 2009	76,257	561,817	42,335	211,895	892,304
Charge for the year	2,500	7,410	919	20,054	30,883
On disposals	-	-	-	(72,294)	(72,294)
At 31 August 2010	<u>78,757</u>	<u>569,227</u>	<u>43,254</u>	<u>159,655</u>	<u>850,893</u>
<b>Net book value</b>					
At 31 August 2010	<u>80,793</u>	<u>41,997</u>	<u>2,033</u>	<u>60,141</u>	<u>184,964</u>
At 31 August 2009	<u>83,293</u>	<u>49,407</u>	<u>2,952</u>	<u>49,328</u>	<u>184,980</u>

**Freehold land and buildings**

The gross book value of freehold land and buildings includes £159,085 (2009 - £159,085) of depreciable assets

**8 Stocks**

	2010 £	2009 £
Raw materials	451,767	608,391
Finished goods	357,168	674,185
	<u>808,935</u>	<u>1,282,576</u>

**9. Debtors**

	2010 £	2009 £
Trade debtors	3,196,841	1,609,355
Other debtors	-	35
Prepayments and accrued income	47,217	47,794
Deferred taxation (note 10)	20,500	-
	<u>3,264,558</u>	<u>1,657,184</u>

**COLESHILL ALUMINIUM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

**10. Deferred taxation**

The deferred tax included in the Balance sheet is as follows

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Included in debtors (note 9)	20,500	-
Included in provisions	-	(2,500)
	<u>20,500</u>	<u>(2,500)</u>

The movement in the deferred taxation account during the year was

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
At 1 September 2009	(2,500)	(15,000)
Profit and loss account movement arising during the year	23,000	12,500
At 31 August 2010	<u>20,500</u>	<u>(2,500)</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Excess of taxation allowances over depreciation on fixed assets	(4,700)	(2,500)
Other timing differences	25,200	-
	<u>20,500</u>	<u>(2,500)</u>

**11. Creditors: Amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Overdrafts	7,592	124,019
Trade creditors	959,940	394,790
Amounts owed to associated undertakings	1,443,170	1,458,737
Corporation tax	95,000	10,300
PAYE and social security	23,085	18,463
VAT	134,773	55,114
Amounts owed to other related undertakings	43,145	34,259
Other creditors	223	10,366
Directors current accounts	173,894	143,331
Accruals and deferred income	136,556	44,517
	<u>3,017,378</u>	<u>2,293,896</u>

**COLESHILL ALUMINIUM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

---

**12. Related party transactions**

During the year the company purchased services worth £174,072 (2009 £154,883) from Coleshill Aluminium Swarf Limited and ingots from Coleshill Alloy Sales Limited of £nil (2009 £50,665)

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 2010 Coleshill Aluminium Limited owed Coleshill Aluminium Swarf Limited £1,148,585 (2009 £1,160,616), Coleshill Laboratories Limited £43,145 (2009 £34,259) and Coleshill Alloy Sales £294,585 (2009 £298,121) respectively

Dividends to directors and connected persons amounted to £125,000 (2009 £125,000)

**13. Share capital**

**Allotted, called up and fully paid:**

	<b>2010</b>		<b>2009</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
1,250 Ordinary shares of £1 each	<u>1,250</u>	<u>1,250</u>	<u>1,250</u>	<u>1,250</u>

**14. Share premium account**

There was no movement on the share premium account during the financial year

**15. Profit and loss account**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Balance brought forward	2,006,567	2,094,891
Profit for the financial year	202,180	36,676
Equity dividends	(125,000)	(125,000)
Balance carried forward	<u>2,083,747</u>	<u>2,006,567</u>

**16. Reconciliation of movements in shareholders' funds**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	202,180	36,676
Equity dividends	(125,000)	(125,000)
Net addition/(reduction) to shareholders' funds	<u>77,180</u>	<u>(88,324)</u>
Opening shareholders' funds	<u>2,444,067</u>	<u>2,532,391</u>
Closing shareholders' funds	<u>2,521,247</u>	<u>2,444,067</u>

**COLESHILL ALUMINIUM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

**17. 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 £107,259 (2009 - £15,518)

There were outstanding contributions of £90,000 at the end of the financial year (2009 £Nil)

**18. Notes to the cash flow statement**

**Reconciliation of operating profit to net cash (outflow)/inflow from operating activities**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Operating profit	273,337	9,490
Depreciation	30,883	29,156
Profit on disposal of fixed assets	(1,552)	-
Decrease/(increase) in stocks	473,641	(576,210)
(Increase)/decrease in debtors	(1,586,874)	1,035,968
Increase/(decrease) in creditors	630,209	(278,853)
Net cash (outflow)/inflow from operating activities	<u>(180,356)</u>	<u>219,551</u>

**Returns on investments and servicing of finance**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Interest received	<u>1,288</u>	<u>24,231</u>
Net cash inflow from returns on investments and servicing of finance	<u>1,288</u>	<u>24,231</u>

**Taxation**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Taxation	<u>(10,745)</u>	<u>(33,245)</u>

**Reconciliation of net cash flow to movement in net funds**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
(Decrease)/increase in cash in the period	<u>(219,128)</u>	<u>210,537</u>
Movement in net funds in the period	<u>(219,128)</u>	<u>210,537</u>
Net funds at 1 September 2009	1,491,704	1,281,165
Net funds at 31 August 2010	<u>1,272,576</u>	<u>1,491,704</u>

**COLESHILL ALUMINIUM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2010**

---

**18. Notes to the cash flow statement** *(continued)*

**Analysis of changes in net funds**

	At 1 September 2009 £	Cash flows £	At 31 August 2010 £
Net cash			
Cash in hand and at bank	1,615,723	(335,555)	1,280,168
Overdrafts	(124,019)	116,427	(7,592)
Net funds	<u>1,491,704</u>	<u>(219,128)</u>	<u>1,272,576</u>

**19. 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