

Wade Potteries Limited

Report and Financial Statements

31 December 2014

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Wade Potteries Limited

Report and Financial Statements 2014

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Wade Potteries Limited

Report and financial statements 2014

Officers and professional advisers

Directors

E. Duke
P.W. Farmer

Company Secretary

P.W. Farmer

Registered office

5 Bessemer Drive
Etruria
Stoke-on-Trent
Staffordshire
ST1 5GR

Bankers

Lloyds TSB
Fountain Square
Hanley
Stoke-on-Trent
Staffordshire
ST1 1LE

Solicitors

Eversheds
Bridgewater Place
Water Lane
Leeds
LS11 5DR

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds

Wade Potteries Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

The Directors' Report has been prepared in accordance with the provision applicable to companies entitled to the small companies' exemption, and therefore has not prepared a strategic report.

Activities

The principal activity of the company is that of an intermediate parent company. The company did not trade during the year and no significant changes in the activities of the business are expected in the foreseeable future.

Results and dividends

The audited financial statements for the year ended 31 December 2014 are set out on pages 5 to 10. The loss for the financial year was £50,000 (2013: loss of £48,000). The directors do not recommend payment of a final dividend (2013: £nil).

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1.

Directors

The directors who served during the year and to the date of this report were as follows:

E. Duke
P.W. Farmer

Statement as to disclosure of information to auditor

Each of the persons who are a director at the date of approval of this report confirms that:

- so far each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



E. Duke
Director

29/05/2015

Wade Potteries Limited

Directors' Responsibilities Statement

The directors are responsible for preparing the Annual 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Independent auditor's report to the members of Wade Potteries Ltd

We have audited the financial statements of Wade Potteries Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 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 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 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 members as a body, 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 annual 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 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.

Matthew Hughes

Matthew Hughes BSc (Hons) ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds

29 May 2015

Wade Potteries Limited

Profit and loss account Year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Interest payable and similar charges	4	(50)	(48)
Loss on ordinary activities before taxation		<u>(50)</u>	<u>(48)</u>
Tax on loss on ordinary activities	5	-	-
Loss on ordinary activities after taxation		<u>(50)</u>	<u>(48)</u>

The results set out above relate to continuing operations.

There are no recognised gains or losses other than as reported above therefore no separate statement of recognised gains and losses has been presented.

The accompanying notes are an integral part of this profit and loss account.

Wade Potteries Limited

Balance sheet 31 December 2014

	Note	2014 £'000	2013 £'000
Fixed assets			
Investments	6	313	313
Current assets			
Debtors	7	641	641
		641	641
Creditors: amounts falling due within one year	8	(304)	(254)
Net current assets		337	387
Total assets less current liabilities		650	700
CREDITORS: amounts falling due after one year	9	(448)	(448)
Net assets		202	252
Capital and reserves			
Called-up share capital	10	1,025	1,025
Share premium		34	34
Profit and loss account	11	(857)	(807)
Shareholders' funds	12	202	252

The accompanying notes are an integral part of this balance sheet.

These financial statements of Wade Potteries Limited, company number 306511, were approved by the Board of Directors on 29th May 2015.

Signed on behalf of the Board of Directors



E. Duke
Director

Wade Potteries Limited

Notes To The Financial Statements Year ended 31 December 2014

1. Accounting policies

The principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, are set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable UK law and UK accounting standards.

Consolidated financial statements have not been prepared as the company is a wholly owned subsidiary undertaking of Wade Allied Holdings Limited, a company registered in England and Wales.

The company is exempt from the requirement to present a cash flow statement because it is a wholly owned subsidiary undertaking of Wade Allied Holdings Limited which has provided a consolidated cash flow statement in its group financial statements.

Going concern

The company is part of the group headed by Wade Allied Holdings Limited and has granted fixed and floating charges on all of its assets and undertakings under group bank and other facility arrangements with other members of the Wade Allied Holdings Limited group. Therefore the directors obtain a letter of support from Wade Allied Holdings Limited and consider the going concern assumption of the group has a whole when forming their conclusions on the going concern of the company.

The group meets its day to day working capital requirements through an overdraft and invoice discounting facility. The facilities were renewed in December 2014, with the next renewal date being 15 January 2016. The current economic conditions create uncertainty over the level of demand for the group's products and the availability of bank finance after this date; however no matters have been brought to the directors' attention to suggest that a further renewal may not be forthcoming on acceptable terms.

The group forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group and company should be able to operate within the level of its current facility. Thus, the directors have a reasonable expectation that the group and company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. The taxation liabilities of certain group companies are reduced wholly or in part by the surrender of losses by fellow group companies. The tax benefits arising from group relief are recognised in the financial statements of the surrendering companies.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

Deferred tax, which is not discounted, is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Investments

Fixed asset investments are stated at cost less amounts written off. Provisions are made for impairment.

Wade Potteries Limited

Notes To The Financial Statements Year ended 31 December 2014

1. Accounting policies (continued)

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. Auditor's remuneration

Fees payable to company's auditors for the audit of the company pursuant to legislation of £1,000 (2013: £1,000) was borne by a fellow group company in both the current year and the prior year.

3. Information regarding directors and employees

None of the directors received any remuneration from the company during the year or the previous year. Directors' remuneration borne by the ultimate parent company and a fellow group undertaking amounted to £249,000 including pension contributions of £10,000 (2013: £251,000, including pension contributions of £10,000). It is not practicable to ascertain what proportion of these emoluments relates to the company.

The company has no other employees in either year.

4. Interest payable and similar charges

	2014 £'000	2013 £'000
Bank interest	8	6
Non-equity shares: Preference dividend proposed and paid	42	42
Total interest payable and similar charges	<u>50</u>	<u>48</u>

5. Tax on loss on ordinary activities

There was no tax charge in either the current or prior years.

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows.

	2014 £'000	2013 £'000
Loss on ordinary activities before taxation	(50)	(48)
Tax at 21.49% (2013: 23.25%) thereon	(11)	(11)
Effects of: Expenses not deductible for tax purposes and other permanent items	10	10
Losses not recognised	1	1
Current tax charge for the year	<u>-</u>	<u>-</u>

The Finance Act 2013, which provides for a reduction in the main rate of UK corporation tax to 21% effective from 1 April 2013 and 20% from 1 April 2015, was enacted on 17 July 2013. As this legislation was substantively enacted prior to the balance sheet date, the closing deferred tax asset has been revalued at 20% at 31 March 2014. There are no unrecognised deferred tax assets in either the current or prior year.

Wade Potteries Limited

Notes To The Financial Statements Year ended 31 December 2014

6. Fixed asset investments

	Shares in subsidiary undertakings £'000
Cost and net book value	
At 1 January 2014 and 31 December 2014	313

The principal investments, at 31 December 2014, being 100% subsidiaries, are as follows:

Country of registration and operation	Company name and address	Principal activities
England and Wales	Wade Ceramics Limited	Manufactures a wide range of technical ceramics

7. Debtors

	2014 £'000	2013 £'000
Amounts owed by subsidiary undertakings	641	641

8. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Amounts owed to other group undertakings	54	3
Bank overdraft	250	251
	304	254

9. Creditors: amounts falling due after one year

	2014 £'000	2013 £'000
Non equity interests		
Authorised		
100,000 4.2% cumulative preference shares of 50p each	50	50
398,000 10% cumulative preference shares of £1 each	398	398
	448	448
Allotted, called-up and fully paid		
100,000 4.2% cumulative preference shares of 50p each	50	50
397,486 10% cumulative preference shares of £1 each	398	398
	448	448

Non-equity interests comprise the 4.2% cumulative preference shares and the 10% cumulative preference shares. These shares carry an entitlement to dividends at the rate of 2.1p and 10p per annum respectively. These shares are not redeemable in any circumstances. The holders of both classes of cumulative preference shares have no voting rights, except if the preference dividends have remained unpaid for six months, whereupon holders receive one vote for every share held. Holders of the cumulative preference shares have the right on winding-up to receive, in priority to ordinary shareholders, the sum of 50p and £1 per share respectively, together with any arrears of dividend.

Wade Potteries Limited

Notes To The Financial Statements Year ended 31 December 2014

10. Called-up share capital

	2014 £'000	2013 £'000
Authorised		
11,320,000 Ordinary shares of 10p each	1,132	1,132
Allotted, called-up and fully paid		
10,253,540 Ordinary shares of 10p each	1,025	1,025

11. Reserves

	Share premium £'000	Profit and loss account £'000	Total £'000
At 1 January 2014	34	(807)	(773)
Retained loss for the year		(50)	(50)
At 31 December 2014	34	(857)	(823)

12. Movement in shareholders' funds

	2014 £'000	2013 £'000
Loss for the financial year	(50)	(48)
Net decrease in shareholders' funds	(50)	(48)
Opening shareholders' funds	252	300
Closing shareholders' funds	202	252

13. Guarantees and other financial commitments

Contingent liabilities and bank guarantees

The company has granted fixed and floating charges on all of its assets and undertakings under group bank and other facility arrangements with other members of the Wade Allied Holdings Limited group. At 31 December 2014 the total amount outstanding under the group's facility was £3,096,000 (2013: £4,361,000).

14. Related parties

As a subsidiary undertaking of Wade Allied Holdings Limited, the company has taken advantage of the exemption in Financial Reporting Standard No. 8 "Related Party Disclosures", not to disclose transactions with other members of the group headed by Wade Allied Holdings Limited.

15. Ultimate parent company

The directors consider Wade Allied Holdings Limited, a company registered in England and Wales, as the immediate parent company. Wade Allied Holdings Limited is controlled by its majority shareholders, Mr E. Duke, Mr P.W. Farmer, Mr T.G.C. Kalborg and Mr R.P. Clinton, who together hold over 70% of the group's voting rights.

The largest and smallest group of which the company is a member and for which group financial statements are drawn up is that headed by Wade Allied Holdings Limited. These financial statements are available to the public and may be obtained from Wade Allied Holdings Limited, Bessemer Drive, Stoke-on-Trent, ST1 5GR.