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REGISTERED NUMBER: 02786895 (England and Wales)

**Group Strategic Report,
Report of the Director and
Consolidated Financial Statements
for the Year Ended 30 April 2015
for
R F Holdings Limited**

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for the Year Ended 30 April 2015**

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R F Holdings Limited
Company Information
for the Year Ended 30 April 2015

DIRECTOR:	M P Creighton
SECRETARY:	Miss L J Guest
REGISTERED OFFICE:	c/o Rubbernek Fittings Limited Lichfield Road Brownhills Walsall West Midlands WS8 6LH
REGISTERED NUMBER:	02786895 (England and Wales)
AUDITORS:	Tomkinson Teal (Lichfield) LLP Hanover Court 5 Queen Street Lichfield Staffordshire WS13 6QD
BANKERS:	HSBC Bank plc 148 High Street Harborne Birmingham B17 9PN

**Group Strategic Report
for the Year Ended 30 April 2015**

The director presents his strategic report of the company and the group for the year ended 30 April 2015.

REVIEW OF BUSINESS

The principal activity of the group is the manufacture and sale of tube fittings for hydraulic and pneumatic systems, precision thread grinding and precision engineering.

Rubbernek Fittings Limited is a tier one approved manufacturer and global supplier to blue-chip OEM companies operating in the earth moving machinery, diesel engine and power generation sectors.

Rubbernek Fittings Limited has accumulated over 40 years of experience, coupled with technical expertise and extensive knowledge of the latest international standards related to the design and manufacture of fluid power fittings. This collective experience affords our customers the confidence from design through manufacture to delivery of quality assured prototype and production products.

Our supply chain consists of two Far East factories that specialise in medium and high volume forged fittings and machined parts, and two dedicated machine shops in the UK that specialise in low, medium and high volume fittings and machined parts. This gives us the ability to offer our customers competitive prices, high quality, short lead times and also the peace of mind knowing that we can switch production between our machine shops should an unforeseen event threaten supply interruption.

Auto Engineering Supplies Limited have been manufacturing high quality precision engineering components for over 20 years. As suppliers to the automotive, off road, agricultural, oil and gas, rail and marine industries we have experience in producing a wide array of parts, from low volume batch work to medium/high volumes.

Our specialities are:

- Machining of castings and forgings
- Bar turned components
- Assembly Services

Our extensive experience enables us to provide design guidance and project management to ensure that components are manufactured to the optimum efficiency and, therefore, the lowest cost. With ongoing investment in new machines and equipment and a commitment to the continual development of the skills of our people we are able to undertake any machining task, regardless of its complexity.

Tru-Thread Limited has worldwide recognition for the manufacture of high quality precision gauges, thread grinding and products for the Oil and Gas, Aerospace and Marine industries.

Holding a full suite of API licences for specifications 5B; 7-2 and 11B threaded connections along with a comprehensive suite of API Master Gauges enables Tru-Thread to supply a full range of new API gauges and to offer a Gauge calibration service to meet the highest demands of our Global Customer base.

Being a primary supplier of Regional Master Gauges to UK The National Physical laboratory and an approved supplier of precision thread grinding to both The Aerospace and Motor Sport Industry Sectors ensures that stringent quality standards and delivery requirements are a paramount in Tru-Threads manufacturing ethos.

The group continues to look for further investment opportunities to acquire. It also has plans to develop the property owned by Rubbernek Fittings Limited in the near future.

The director remains confident in R F Holding Limited's group companies ability to remain stable and continue its planned steady growth.

**Group Strategic Report
for the Year Ended 30 April 2015**

PRINCIPAL RISKS AND UNCERTAINTIES

The process of risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management. Compliance with regulation, legal and ethical standards is a high priority for the group.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'Miss L J Guest', is written over a horizontal line.

Miss L J Guest - Secretary

12 November 2015

**Report of the Director
for the Year Ended 30 April 2015**

The director presents his report with the financial statements of the company and the group for the year ended 30 April 2015.

DIVIDENDS

Interim dividends totalling £3.438 per share were paid during the year. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 30 April 2015 will be £343,816.

A total dividend of £71,416 (2014 - £52,649) was distributed to the ordinary 'A' and 'B' shareholders of the subsidiary companies.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTOR

M P Creighton held office during the whole of the period from 1 May 2014 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Tomkinson Teal, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Miss L J Guest - Secretary

12 November 2015

Report of the Independent Auditors to the Members of R F Holdings Limited

We have audited the financial statements of R F Holdings Limited for the year ended 30 April 2015 on pages seven to twenty three. 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 a Report of the Auditors 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 director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Director 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 group's and of the parent company's affairs as at 30 April 2015 and of the group's profit 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

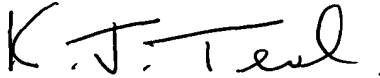
In our opinion the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
R F Holdings Limited**

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Kelvin Teal (Senior Statutory Auditor)
for and on behalf of Tomkinson Teal
(Lichfield) LLP
Hanover Court
5 Queen Street
Lichfield
Staffordshire
WS13 6QD

12 November 2015

**Consolidated Profit and Loss Account
for the Year Ended 30 April 2015**

	Notes	2015 £	2014 £
TURNOVER		6,487,483	6,528,008
Cost of sales		(4,452,311)	(4,546,878)
GROSS PROFIT		2,035,172	1,981,130
Administrative expenses		(1,088,461)	(1,163,450)
		946,711	817,680
Other operating income		10,000	12,563
OPERATING PROFIT	3	956,711	830,243
Interest receivable and similar income		10,839	19,887
		967,550	850,130
Interest payable and similar charges	4	(11,675)	(16,763)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		955,875	833,367
Tax on profit on ordinary activities	5	(173,099)	(178,666)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		782,776	654,701
Minority interest - equity		(71,416)	(52,649)
RETAINED PROFIT FOR THE GROUP CARRIED FORWARD		711,360	602,052

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

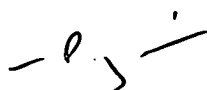
The group has no recognised gains or losses other than the profits for the current year or previous year.

R F Holdings Limited (Registered number: 02786895)

**Consolidated Balance Sheet
30 April 2015**

	Notes	2015 £	2014 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	847,669	780,105
Investments	10	-	-
		<u>847,669</u>	<u>780,105</u>
CURRENT ASSETS			
Stocks	11	930,962	904,345
Debtors	12	2,120,522	2,045,523
Cash at bank and in hand		2,243,016	2,095,721
		<u>5,294,500</u>	<u>5,045,589</u>
CREDITORS			
Amounts falling due within one year	13	(735,458)	(856,553)
NET CURRENT ASSETS		<u>4,559,042</u>	<u>4,189,036</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,406,711	4,969,141
CREDITORS			
Amounts falling due after more than one year	14	(152,863)	(99,925)
PROVISIONS FOR LIABILITIES	16	<u>(89,485)</u>	<u>(72,397)</u>
NET ASSETS		<u>5,164,363</u>	<u>4,796,819</u>
CAPITAL AND RESERVES			
Called up share capital	17	100,002	100,002
Profit and loss account		5,064,361	4,696,817
SHAREHOLDERS' FUNDS	24	<u>5,164,363</u>	<u>4,796,819</u>

The financial statements were approved by the director on 12 November 2015 and were signed by:



M P Creighton - Director

The notes form part of these financial statements

Company Balance Sheet
30 April 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	-	-
Investments	10	1,675,711	1,675,811
		<u>1,675,711</u>	<u>1,675,811</u>
CURRENT ASSETS			
Debtors	12	56,225	56,225
Cash at bank		2,131	2,153
		<u>58,356</u>	<u>58,378</u>
CREDITORS			
Amounts falling due within one year	13	(55,429)	(55,429)
NET CURRENT ASSETS		<u>2,927</u>	<u>2,949</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,678,638</u>	<u>1,678,760</u>
CAPITAL AND RESERVES			
Called up share capital	17	100,002	100,002
Profit and loss account		1,578,636	1,578,758
SHAREHOLDERS' FUNDS	24	<u>1,678,638</u>	<u>1,678,760</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 12 November 2015 and were signed by:



M P Creighton - Director

**Consolidated Cash Flow Statement
for the Year Ended 30 April 2015**

	Notes	2015 £	2014 £
Net cash inflow from operating activities	1	782,687	610,327
Returns on investments and servicing of finance	2	(836)	3,124
Taxation		(177,556)	(105,669)
Capital expenditure	2	(184,063)	(47,829)
Equity dividends paid		(343,816)	(141,682)
		<u>76,416</u>	<u>318,271</u>
Financing	2	<u>70,879</u>	<u>(55,177)</u>
Increase in cash in the period		<u>147,295</u>	<u>263,094</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		147,295	263,094
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(70,879)</u>	<u>55,177</u>
Change in net funds resulting from cash flows		<u>76,416</u>	<u>318,271</u>
Movement in net funds in the period		<u>76,416</u>	<u>318,271</u>
Net funds at 1 May		<u>1,940,619</u>	<u>1,622,348</u>
Net funds at 30 April		<u>2,017,035</u>	<u>1,940,619</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 April 2015**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	956,711	830,243
Depreciation charges	124,855	109,101
Profit on disposal of fixed assets	(8,356)	(2,884)
(Increase)/decrease in stocks	(26,617)	202,301
Increase in debtors	(74,999)	(561,801)
(Decrease)/increase in creditors	(188,907)	33,367
Net cash inflow from operating activities	782,687	610,327

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	10,839	19,887
Interest paid	(700)	(2,788)
Interest element of hire purchase payments	(10,975)	(13,975)
Net cash (outflow)/inflow for returns on investments and servicing of finance	(836)	3,124
Capital expenditure		
Purchase of tangible fixed assets	(212,038)	(55,838)
Sale of tangible fixed assets	27,975	8,009
Net cash outflow for capital expenditure	(184,063)	(47,829)
Financing		
New loans in year	146,700	-
Capital repayments in year	(75,821)	(55,177)
Net cash inflow/(outflow) from financing	70,879	(55,177)

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 April 2015**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.5.14 £	Cash flow £	At 30.4.15 £
Net cash:			
Cash at bank and in hand	2,095,721	147,295	2,243,016
	<u>2,095,721</u>	<u>147,295</u>	<u>2,243,016</u>
Debt:			
Hire purchase	(155,102)	(70,879)	(225,981)
	<u>(155,102)</u>	<u>(70,879)</u>	<u>(225,981)</u>
Total	<u>1,940,619</u>	<u>76,416</u>	<u>2,017,035</u>

**Notes to the Consolidated Financial Statements
for the Year Ended 30 April 2015**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 30 April 2015. The acquisitions method of accounting has been adopted. Under this method, the results of the subsidiary undertakings acquired or disposed of in the year are included in the consolidation profit and loss account from the date of acquisition or up to the date of disposal.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2002, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Improvements to property	- Straight line over the life of the lease
Plant and machinery	- 20% on cost, 15% on reducing balance, 10% on cost and 10% on reducing balance
Fixtures and fittings	- 33% on cost, 25% on cost, 15% on reducing balance and 10% on cost
Motor vehicles	- 33% on cost and 25% on reducing balance

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets acquired under instalment finance agreements are treated as tangible fixed assets and depreciation is provided accordingly. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015

1. ACCOUNTING POLICIES - continued

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings, representing the excess of the purchase consideration over the fair value of the identifiable assets of the subsidiary at the date of acquisition, is capitalised and amortised on a straight line basis over its estimated useful life of ten years.

Negative goodwill arising on the acquisition, representing the excess of fair value of net assets of the subsidiary at the date of acquisition over the purchase consideration, is deducted from fixed assets and released to the group profit and loss account over ten years, being the period over which the non-monetary assets acquired are recovered.

2. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	1,608,268	1,457,780
Social security costs	143,906	130,729
Other pension costs	5,073	96,901
	<u>1,757,247</u>	<u>1,685,410</u>

The average monthly number of employees during the year was as follows:

	2015	2014
Production	49	54
Administration	13	13
	<u>62</u>	<u>67</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Hire of plant and machinery	1,866	4,470
Other operating leases	-	241
Depreciation - owned assets	83,482	79,604
Depreciation - assets on hire purchase contracts	41,373	29,497
Profit on disposal of fixed assets	(8,356)	(2,884)
Auditors' remuneration	15,382	19,015
Foreign exchange differences	10,629	10,119
	<u>63,245</u>	<u>62,561</u>
Director's remuneration	<u>63,245</u>	<u>62,561</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank interest	700	2,788
Hire purchase	10,975	9,631
Leasing	-	4,344
	<u>11,675</u>	<u>16,763</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2015 £	2014 £
Current tax:		
UK corporation tax	156,011	177,555
Deferred tax	17,088	1,111
Tax on profit on ordinary activities	<u>173,099</u>	<u>178,666</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>955,875</u>	<u>833,367</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 23%)	191,175	191,674
Effects of:		
Expenses not deductible for tax purposes	43	120
Capital allowances in excess of depreciation	(20,887)	-
Depreciation in excess of capital allowances	-	8,435
Utilisation of tax losses	(19,488)	(21,769)
Marginal relief/change in tax rate	5,168	(905)
Current tax charge	<u>156,011</u>	<u>177,555</u>

6. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £343,694 (2014 - £141,659).

7. DIVIDENDS

	2015 £	2014 £
Interim	<u>343,816</u>	<u>141,682</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 May 2014	
and 30 April 2015	(128,056)
AMORTISATION	
At 1 May 2014	
and 30 April 2015	(128,056)
NET BOOK VALUE	
At 30 April 2015	-
At 30 April 2014	-

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Improvements to property £
COST			
At 1 May 2014	283,826	174,148	5,399
Additions	-	1,350	918
At 30 April 2015	283,826	175,498	6,317
DEPRECIATION			
At 1 May 2014	83,711	101,132	3,650
Charge for year	3,468	12,961	491
Eliminated on disposal	-	-	-
At 30 April 2015	87,179	114,093	4,141
NET BOOK VALUE			
At 30 April 2015	196,647	61,405	2,176
At 30 April 2014	200,115	73,016	1,749

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015

9. TANGIBLE FIXED ASSETS - continued

Group

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 May 2014	2,174,748	110,490	64,584	2,813,195
Additions	169,642	4,654	35,474	212,038
Disposals	(106,629)	-	(28,340)	(134,969)
At 30 April 2015	2,237,761	115,144	71,718	2,890,264
DEPRECIATION				
At 1 May 2014	1,731,586	84,097	28,914	2,033,090
Charge for year	82,738	12,308	12,889	124,855
Eliminated on disposal	(97,495)	-	(17,855)	(115,350)
At 30 April 2015	1,716,829	96,405	23,948	2,042,595
NET BOOK VALUE				
At 30 April 2015	520,932	18,739	47,770	847,669
At 30 April 2014	443,162	26,393	35,670	780,105

Included in cost of land and buildings is freehold land of £121,076 (2014 - £121,076) which is not depreciated.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 May 2014	253,608
Additions	163,000
At 30 April 2015	416,608
DEPRECIATION	
At 1 May 2014	62,572
Charge for year	41,373
At 30 April 2015	103,945
NET BOOK VALUE	
At 30 April 2015	312,663
At 30 April 2014	191,036

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 May 2014	1,675,811
Impairments	(100)
At 30 April 2015	<u>1,675,711</u>
NET BOOK VALUE	
At 30 April 2015	<u>1,675,711</u>
At 30 April 2014	<u>1,675,811</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Rubbernek Fittings Limited

Nature of business: Hydraulic fittings

	% holding	2015 £	2014 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		2,618,094	2,451,059
Profit for the year		<u>412,556</u>	<u>310,653</u>

Auto Engineering Supplies Limited

Nature of business: Precision engineering

	% holding	2015 £	2014 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		94,489	191,591
Loss for the year		<u>(97,202)</u>	<u>(55,615)</u>

The Stampings Alliance Limited

Nature of business: Sale of forgings

	% holding	2015 £	2014 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		805,993	703,972
Profit for the year		<u>106,387</u>	<u>92,599</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015

10. **FIXED ASSET INVESTMENTS - continued**

Tru-Thread Limited

Nature of business: Precision thread grinding

	% holding	2015	2014
Class of shares:		£	£
Ordinary	100.00		
Aggregate capital and reserves		1,641,207	1,445,594
Profit for the year		360,958	307,088

11. **STOCKS**

	Group	
	2015	2014
	£	£
Raw materials	28,281	28,281
Work-in-progress	196,455	164,429
Finished goods	706,226	711,635
	930,962	904,345

12. **DEBTORS**

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	1,009,583	1,068,283	-	-
Other debtors	574,230	382,847	351	351
Directors' current accounts	44,624	44,624	44,624	44,624
VAT	1,606	-	-	-
Prepayments	479,229	538,519	-	-
	2,109,272	2,034,273	44,975	44,975
Amounts falling due after more than one year:				
Tax	11,250	11,250	11,250	11,250
Aggregate amounts	2,120,522	2,045,523	56,225	56,225

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Hire purchase contracts (see note 15)	73,118	55,177	-	-
Trade creditors	415,368	501,540	-	-
Amounts owed to group undertakings	-	-	55,429	55,429
Tax	156,010	177,555	-	-
Social security and other taxes	36,056	41,464	-	-
VAT	-	17,303	-	-
Other creditors	6,480	9,413	-	-
Accrued expenses	48,426	54,101	-	-
	<u>735,458</u>	<u>856,553</u>	<u>55,429</u>	<u>55,429</u>

The bank overdraft is secured by a debenture incorporating a fixed and floating charge over all current and future assets of the companies and a fixed charge over the companies' freehold and leasehold property.

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2015	2014
	£	£
Hire purchase contracts (see note 15)	<u>152,863</u>	<u>99,925</u>

15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Group	Hire purchase contracts	
	2015	2014
	£	£
Net obligations repayable:		
Within one year	73,118	55,177
Between one and five years	152,863	99,925
	<u>225,981</u>	<u>155,102</u>

16. PROVISIONS FOR LIABILITIES

	Group	
	2015	2014
	£	£
Deferred tax	<u>89,485</u>	<u>72,397</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015

16. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 May 2014	72,397
Accelerated capital allowances	17,088
	<hr/>
Balance at 30 April 2015	89,485
	<hr/>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2015 £	2014 £
100,002	Ordinary £1		100,002	100,002
			<hr/>	<hr/>

18. CONSOLIDATION RESERVES

Group

	Profit and loss account £
At 1 May 2014	4,696,817
Profit for the year	711,360
Dividends	(343,816)
	<hr/>
At 30 April 2015	5,064,361
	<hr/>

Company

	Profit and loss account £
At 1 May 2014	1,578,758
Profit for the year	343,694
Dividends	(343,816)
	<hr/>
At 30 April 2015	1,578,636
	<hr/>

19. PENSION COMMITMENTS

The group subsidiaries operate defined contribution pension schemes. The pension cost charge for the period represents contributions payable by the group subsidiaries to the schemes and amounted to £45,073 (2014 - £96,901).

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

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015

20. **CONTINGENT LIABILITIES**

Rubbernek Fittings Limited, a subsidiary undertaking, has a guarantee dated 26 October 2005 in favour of HM Revenue and Customs for £7,000.

21. **RELATED PARTY DISCLOSURES**

During the year, total dividends of £343,816 were paid to the director.

R F Property & Estates Limited

A company controlled by the director M Creighton

	2015 £	2014 £
Amount due from related party at the balance sheet date	<u>570,682</u>	<u>382,496</u>

M P Creighton

Director

	2015 £	2014 £
Amount due from related party at the balance sheet date	<u>44,624</u>	<u>44,624</u>

22. **POST BALANCE SHEET EVENTS**

On 8 September 2015, Auto Engineering Supplies Limited, a subsidiary undertaking, went into liquidation. The results of Auto Engineering Supplies Limited for the year ended 30 April 2015 have been included within these consolidated financial statements, although no statutory audit has been undertaken on them. The auditors consider that they have obtained sufficient evidence that the consolidated results are materially correct and that any adjustment that may have arisen had the subsidiary, Auto Engineering Supplies Limited, had a statutory audit would not have had a material impact on the Audit opinion in these consolidated financial statements.

23. **ULTIMATE CONTROLLING PARTY**

The company was controlled throughout the current and previous period by M P Creighton by virtue of him holding all of the issued share capital of the company.

24. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

Group

	2015 £	2014 £
Profit for the financial year	711,360	602,052
Dividends	(343,816)	(141,682)
Net addition to shareholders' funds	<u>367,544</u>	<u>460,370</u>
Opening shareholders' funds	4,796,819	4,336,449
Closing shareholders' funds	<u>5,164,363</u>	<u>4,796,819</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2015**

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company

	2015	2014
	£	£
Profit for the financial year	343,694	141,659
Dividends	(343,816)	(141,682)
Net reduction of shareholders' funds	(122)	(23)
Opening shareholders' funds	1,678,760	1,678,783
Closing shareholders' funds	1,678,638	1,678,760