

Registration number 3659449

GANTRY RAILING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

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GANTRY RAILING LIMITED
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GANTRY RAILING LIMITED
COMPANY INFORMATION

Directors	L J Spencer M T Trigg
Company secretary	C Cresswell
Registered office	Sudmeadow Road Hempsted Gloucester Gloucestershire GL2 5HG
Auditors	Hazlewoods LLP Windsor House Barnett Way Barnwood Gloucester GL4 3RT

GANTRY RAILING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2013

The directors present their report and the financial statements for the year ended 31 January 2013

Principal activity

The principal activity of the company is that of crane mounting and associated activities

Directors of the company

The directors who held office during the year were as follows

L J Spencer

M T Trigg

Business review

Fair review of the business

The year ended 31 January 2013 saw the company's turnover increase by 26% to £12.4 million. Increases in material prices, however, meant that there was a decrease in profit before tax, from £248,647 to £129,401. This remains a good result in the current climate, and the directors are satisfied with the company's position at the balance sheet date.

The company ended the year with a strong order book and the directors are confident that the company will continue to trade profitably for the foreseeable future.

Principal risks and uncertainties

The principal risks and uncertainties relevant to the company surround the management of the working capital cycle. Production lead times can be long, which can put pressure on cash, but the company has facilities from its bankers that cater for the nature of its business. Other risks are managed as follows:

- Credit risk is managed by well developed credit control procedures and maintaining good relationships with customers. The company rarely suffers from bad debts.
- The company has no specific price risk arising from financial instruments.
- Liquidity risk is managed by use of banking facilities mentioned above.
- Foreign exchange risk is managed by monitoring the timing of payments and receipts and purchasing or selling currency accordingly. There are no formal hedging procedures.

The company's directors are of the opinion that analysis using key performance indicators, which is undertaken for internal management reporting, is not necessary for an understanding of the development, performance or the position of the business.

Disclosure of information to the auditors

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.

GANTRY RAILING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2013

Medium sized company provisions

This report has been prepared in accordance with the special provisions relating to medium-sized companies within Part 15 of the Companies Act 2006

Approved by the Board on **22/10/13** and signed on its behalf by



M T Trigg
Director

GANTRY RAILING LIMITED

STATEMENT OF 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 these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GANTRY RAILING LIMITED

We have audited the financial statements of Gantry Railing Limited for the year ended 31 January 2013, set out on pages 7 to 19. 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 Statement of Directors' Responsibilities (set out on page 4), 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 (APB'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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 January 2013 and of its 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GANTRY RAILING 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, 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

Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditors

Windsor House
Barnett Way
Barnwood
Gloucester
GL4 3RT

Date *22/10/13*

GANTRY RAILING LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2013

	Note	2013 £	2012 £
Turnover	2	12,420,652	9,838,317
Cost of sales		<u>(10,605,048)</u>	<u>(8,030,976)</u>
Gross profit		1,815,604	1,807,341
Administrative expenses		<u>(1,649,852)</u>	<u>(1,522,501)</u>
Operating profit	3	165,752	284,840
Interest payable and similar charges	6	<u>(36,351)</u>	<u>(36,193)</u>
Profit on ordinary activities before taxation		129,401	248,647
Tax on profit on ordinary activities	7	<u>(26,264)</u>	<u>(60,842)</u>
Profit for the financial year	16	<u>103,137</u>	<u>187,805</u>

Turnover and operating profit derive wholly from continuing operations

GANTRY RAILING LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 JANUARY 2013

	Note	2013 £	(As restated) 2012 £
Profit for the financial year		103,137	187,805
Prior year adjustment		<u>(47,514)</u>	<u>106,570</u>
Total recognised gains and losses since last annual report		<u>55,623</u>	<u>294,375</u>

GANTRY RAILING LIMITED
(REGISTRATION NUMBER 3659449)
BALANCE SHEET
AS AT 31 JANUARY 2013

	Note	2013 £	(As restated) 2012 £
Fixed assets			
Tangible fixed assets	8	242,369	185,675
Investments	9	70,000	70,000
		<u>312,369</u>	<u>255,675</u>
Current assets			
Stocks	10	1,470,413	920,239
Debtors	11	2,524,557	2,253,849
		<u>3,994,970</u>	<u>3,174,088</u>
Creditors Amounts falling due within one year	12	<u>(3,121,410)</u>	<u>(2,370,814)</u>
Net current assets		873,560	803,274
Total assets less current liabilities		1,185,929	1,058,949
Creditors Amounts falling due after more than one year	13	(122,811)	(100,000)
Provisions for liabilities	14	<u>(17,454)</u>	<u>(16,422)</u>
Net assets		<u>1,045,664</u>	<u>942,527</u>
Capital and reserves			
Called up share capital	15	100	100
Profit and loss account	16	1,045,564	942,427
Shareholders' funds	17	<u>1,045,664</u>	<u>942,527</u>

Approved by the Board and authorised for issue on 22/10/13 and signed on its behalf by


M T Trigg
Director

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group

Exemption from preparing group accounts

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are filed at Companies House

The parent of the group into whose consolidated accounts the company is included is Gantry Railing International Limited, a company incorporated in England and Wales. These accounts present information about the company as an individual undertaking and not about the group

Prior period adjustment

The balance sheet at 31 January 2012 has been restated to correct the treatment of dividends paid in the year ended 31 January 2011 which had previously been treated as an intercompany loan

Going concern

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009' the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting

The company has adequate financial resources available and has continued to trade profitably. Sales order levels are expected to remain strong going forward. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements

Turnover

Turnover represents the amounts excluding value added tax receivable during the year for goods and services supplied

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Asset class	Depreciation method and rate
Plant and machinery	12.5% - 33.3% of cost per annum
Motor vehicles	25% of cost per annum

Research and development

Research and development expenditure is written off in the period in which it is incurred

Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. Cost is represented by direct materials and labour together with attributable amounts of fixed and variable overheads incurred in bringing each product to its present location and condition. Net realisable value is estimated selling price less further costs to completion and disposal.

Deferred tax

In accordance with Financial Reporting Standard 19 Deferred Tax, full provision is made for deferred tax arising from timing differences between the differing treatment of certain items for taxation and accounting purposes. The provision is calculated at the rates of taxation at which it is estimated the liability will arise and is not discounted. No provision is made in respect of timing differences arising from the sale or revaluation of fixed assets unless there is a commitment to the disposal of the assets at the balance sheet date. Deferred tax assets are recognised only to the extent that the directors consider there to be suitable taxable profits from which the underlying timing differences can be deducted.

Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date, or if appropriate at the forward contract rate. Non-monetary assets denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of acquisition of the assets. Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of transaction, or at the contracted rate if the transaction is covered by a forward exchange contract. All revaluation differences and realised foreign exchange differences are taken to the profit and loss account.

Hire purchase and leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

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 as tangible fixed assets and are depreciated over the shorter of the lease term and 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 held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

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

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

2 Turnover

An analysis of turnover by geographical location is given below

	2013 £	2012 £
United Kingdom	1,572,592	1,500,317
Europe	1,507,435	2,145,956
Middle East	3,508,377	1,449,776
Far East and India	2,584,388	2,709,582
United States of America	731,268	632,902
Rest of the World	2,516,592	1,399,784
	<u>12,420,652</u>	<u>9,838,317</u>

3 Operating profit

Operating profit is stated after charging

	2013 £	2012 £
Operating leases - other assets	11,905	11,905
Auditor's remuneration - The audit of the company's annual accounts	9,000	9,000
Auditor's remuneration - taxation services	2,000	2,000
Auditor's remuneration - other services	1,850	4,567
Loss on sale of tangible fixed assets	-	3,721
Depreciation of owned assets	<u>58,669</u>	<u>61,456</u>

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

4 Particulars of employees

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

	2013 No.	2012 No.
Administration and support	4	4
Production	23	17
Sales	6	8
	<u>33</u>	<u>29</u>

The aggregate payroll costs were as follows

	2013 £	2012 £
Wages and salaries	1,508,927	1,327,542
Social security costs	127,994	116,423
Staff pensions	21,595	18,182
	<u>1,658,516</u>	<u>1,462,147</u>

5 Directors' remuneration

The directors' remuneration for the year was as follows

	2013 £	2012 £
Remuneration (including benefits in kind)	<u>185,481</u>	<u>175,723</u>

6 Interest payable and similar charges

	2013 £	2012 £
Interest on bank borrowings	36,000	36,193
Finance charges	351	-
	<u>36,351</u>	<u>36,193</u>

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

7 Taxation

Tax on profit on ordinary activities

	2013	2012
	£	£
Current tax		
Corporation tax charge	25,486	54,830
Adjustments in respect of previous years	(254)	-
UK Corporation tax	<u>25,232</u>	<u>54,830</u>
Deferred tax		
Origination and reversal of timing differences	2,906	6,012
Deferred tax adjustment relating to previous years	(609)	-
Effect of changes in tax rates	(1,265)	-
Total deferred tax	<u>1,032</u>	<u>6,012</u>
Total tax on profit on ordinary activities	<u><u>26,264</u></u>	<u><u>60,842</u></u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 24.33% (2012 - 26.33%)

The differences are reconciled below

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>129,401</u>	<u>248,647</u>
Corporation tax at standard rate	31,487	65,466
Capital allowances in excess of depreciation	(6,071)	(5,016)
Other short term timing differences	2,931	-
Non deductible expenses	1,489	1,170
Adjustment for prior periods	(254)	-
Marginal relief and other adjustments	(4,100)	(6,790)
Group relief	(250)	-
Total current tax	<u><u>25,232</u></u>	<u><u>54,830</u></u>

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

8 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 February 2012	343,443	40,648	384,091
Additions	53,344	62,019	115,363
Disposals	(664)	-	(664)
At 31 January 2013	<u>396,123</u>	<u>102,667</u>	<u>498,790</u>
Depreciation			
At 1 February 2012	183,642	14,774	198,416
Charge for the year	48,202	10,467	58,669
Eliminated on disposals	(664)	-	(664)
At 31 January 2013	<u>231,180</u>	<u>25,241</u>	<u>256,421</u>
Net book value			
At 31 January 2013	<u>164,943</u>	<u>77,426</u>	<u>242,369</u>
At 31 January 2012	<u>159,801</u>	<u>25,874</u>	<u>185,675</u>

Leased assets

Included within the net book value of tangible fixed assets is £39,629 (2012 - £nil) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £nil (2012 - £nil).

9 Investments held as fixed assets

	2013 £	2012 £
Shares in group undertakings and participating interests	<u>70,000</u>	<u>70,000</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Subsidiary	Holding	Proportion of voting rights and shares held	Principal activity
Gantrail Crane Rail Systems (Tianjin) Limited	Ordinary	100%	Crane mounting & associated activities

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

10 Stocks

	2013 £	2012 £
Raw materials	841,397	700,004
Work in progress	602,796	204,235
Finished goods	26,220	16,000
	<u>1,470,413</u>	<u>920,239</u>

11 Debtors

	2013 £	(As restated) 2012 £
Trade debtors	1,957,036	1,823,986
Amounts owed by parent undertaking	293,885	66,096
Amounts owed by fellow subsidiary	4,771	3,910
Amounts owed by subsidiary undertaking	86,647	92,501
Other debtors	-	95,572
Prepayments and accrued income	182,218	171,784
	<u>2,524,557</u>	<u>2,253,849</u>

12 Creditors Amounts falling due within one year

	2013 £	2012 £
Trade creditors	1,774,033	1,503,606
Bank loans and overdraft (secured - see below)	829,453	631,322
Obligations under finance lease and hire purchase contracts (secured - see below)	12,273	-
Corporation tax	25,644	54,988
Other taxes and social security	77,705	30,779
Other creditors	21,621	18,933
Accruals and deferred income	380,681	131,186
	<u>3,121,410</u>	<u>2,370,814</u>

Bank borrowings are secured by a fixed and floating charge over the assets of the company and those of its parent undertaking, Gantry Railing International Limited

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

13 Creditors Amounts falling due after more than one year

	2013 £	2012 £
Preference shares	100,000	100,000
Obligations under finance lease and hire purchase contracts (secured - see note 12)	22,811	-
	<u>122,811</u>	<u>100,000</u>

Preference shares above represent 100,000 preference shares of £1 each, which are all allotted, called up and fully paid. The authorised preference share capital is 100,000 £1 shares.

The preference shares are redeemable at par from 1 February 2003. On return of the assets, the assets of the company remaining after the payment of its liabilities shall be applied to the holders of the preference shares at the subscription price, and then to the holders of the ordinary shares. The preference shares have no voting rights or rights to dividends.

Obligations under finance leases and HP contracts

Amounts repayable

	2013 £	2012 £
In one year or less on demand	12,273	-
Between one and two years	12,273	-
Between two and five years	10,538	-
	<u>35,084</u>	<u>-</u>

14 Provisions

	Deferred tax £
At 1 February 2012	16,422
Charged to the profit and loss account	<u>1,032</u>
At 31 January 2013	<u>17,454</u>

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

Analysis of deferred tax

	2013 £	2012 £
Difference between accumulated depreciation and amortisation and capital allowances	28,083	24,970
Other timing differences	(10,629)	(8,548)
	<u>17,454</u>	<u>16,422</u>

15 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

16 Reserves

	Profit and loss account £
At 1 February 2012	989,941
Prior year adjustment	(47,514)
At 1 February 2012 as restated	<u>942,427</u>
Profit for the year	<u>103,137</u>
At 31 January 2013	<u>1,045,564</u>

17 Reconciliation of movement in shareholders' funds

	2013 £	(As restated) 2012 £
Profit attributable to the members of the company	103,137	187,805
Net addition to shareholders' funds	103,137	187,805
Shareholders' funds at 1 February (previously £990,041 before prior year adjustment of £47,514)	<u>942,527</u>	<u>754,722</u>
Shareholders' funds at 31 January	<u>1,045,664</u>	<u>942,527</u>

GANTRY RAILING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

18 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £21,595 (2012 - £18,182)

Contributions totalling £nil (2012 - £nil) were payable to the schemes at the end of the year and are included in creditors

19 Commitments

Operating lease commitments

As at 31 January 2013 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2013 £	2012 £
Other		
Within one year	8,698	-
Within two and five years	1,160	11,905
	<u>9,858</u>	<u>11,905</u>

20 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group

21 Control

The company is controlled by its immediate and ultimate parent undertaking Gantry Railing International Limited, a company registered in England and Wales. Gantry Railing International Limited is controlled by the Estate of G W Molyneux (deceased)

The parent of the largest and smallest group into whose accounts the results of the company are consolidated is Gantry Railing International Limited. Copies of those consolidated accounts are available from Companies House