



THOS C WILD LIMITED

(Company Number 5516830)

ANNUAL REPORT

YEAR ENDED 31 AUGUST 2013

REGISTRARS COPY



THOS C WILD LIMITED

COMPANY INFORMATION

Directors	J Hancock I Y Hancock M Howson M R Justice G J S Lewis L A Lewis
Company secretary	G J S Lewis
Registered number	5516830
Registered office	Vulcan Works Tinsley Park Road Sheffield S9 5DP
Auditor	BDO LLP Fountain Precinct Balm Green Sheffield S1 2JA
Bankers	HSBC Sheffield

THOS. C WILD LIMITED

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THOS. C WILD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2013

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

Principal activities

The company's principal activity is the manufacture of forged rings for high integrity applications

Business review

The year saw an unexpected fall in sales in two of our three main sectors of operation. Only our oil and gas business grew.

Despite this, investment in new plant and equipment continued with some £3.7m of new projects started. Once completed, in 2015/6, the business will have enjoyed some £8.1m of investment over an 8 year period.

Funding of the legacy pension scheme has been maintained, with only one remaining ex-employee, now retired, still in the scheme. We expect to close the scheme as soon as market conditions improve.

The immediate outlook for the business is to stabilize at or around the current turnover levels. Whilst some new projects will drive growth, this will be mitigated by a reduction in existing business. Over a longer cycle however we believe significant growth opportunities are open to us. This is reflected in our confidence to bring in new young recruits. Seven new employees have joined us ex-school/university in the last year or so. We expect at least five more will join us shortly.

Our customers are under enormous cost-down pressure and no doubt some business will be lost to low-cost economies. Whilst investment in new plant and equipment will allow us to stabilize costs, some variable cost increases, such as energy, are depressing margins.

Our core aim remains to delight our customers with our service, responsiveness and compressed lead times for ring forgings in critical service.

The Company's financial risk management objective is to seek to make neither profit nor loss from exposure to currency or interest rate risks. 99% of the Company's sales are in Sterling, and purchases of metals and capital plant in Euros are normally fixed by entering into forward exchange contracts at the time of ordering.

The Company's policy is to finance its working capital requirements through retained earnings and short term borrowing, at the prevailing market interest rates. The Company's policy is to finance fixed asset purchases, where necessary, through fixed rate borrowings for a term shorter than the useful economic life of the asset.

The Company's exposure to the price risk of financial instruments is therefore considered to be minimal. As the counterparty to all financial instruments is its bankers, it is also exposed to minimal credit and liquidity risk in respect of these instruments.

Results and dividends

The profit for the year, after taxation, amounted to £666,000 (2012 - £783,000).

On 12 November 2012 the Board proposed and approved an interim dividend award of £1 per Class B ordinary share to all Class B shareholders as at 31 August 2012, to be paid out of distributable reserves before the end of December 2012, with a final dividend payment of £1.11 per Class B ordinary share in May 2013.

THOS C WILD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2013

Directors

The directors who served during the year were

J Hancock
I Y Hancock
M Howson
M R Justice
G J S Lewis
L A Lewis

Research and development activities

The company operates in many technically demanding sectors. The two most technically demanding sectors for seamless forged rings are the oilfield and gas turbine engine industries.

The company needs to continually develop its technical expertise and process capability to secure new business. Continued technical development is also required to maintain its market position as a technically capable and innovative supplier.

Qualifying third party indemnity provisions

The company has insurance which provides protection for the directors against any action against them by a third party up to £1 million in aggregate in any one period of insurance.

Provision of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the board on 9 December 2013 and signed on its behalf


G J S Lewis
Secretary

THOS. C WILD LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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 then apply them consistently,
- make judgments 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

THOS C WILD LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOS C WILD LIMITED

We have audited the financial statements of Thos C Wild Limited for the year ended 31 August 2013 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. 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, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 August 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.

THOS. C. WILD LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOS C WILD 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



Craig Burton (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Sheffield
United Kingdom

09 December 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

THOS. C. WILD LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	2013 £000	2012 £000
TURNOVER	1,2	10,131	10,631
Cost of sales		<u>(8,288)</u>	<u>(8,594)</u>
GROSS PROFIT		1,843	2,037
Administrative expenses		<u>(1,058)</u>	<u>(1,027)</u>
OPERATING PROFIT	3	785	1,010
Interest payable and similar charges	6	(59)	(59)
Other finance costs	7	<u>(2)</u>	<u>(34)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		724	917
Tax on profit on ordinary activities	8	<u>(58)</u>	<u>(134)</u>
PROFIT FOR THE FINANCIAL YEAR	19	<u>666</u>	<u>783</u>

All amounts relate to continuing operations

The notes on pages 10 to 26 form part of these financial statements

THOS C WILD LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	2013 £000	2012 £000
PROFIT FOR THE FINANCIAL YEAR		666	783
Actuarial gain/(loss) in defined benefit pension scheme	23	66	(63)
Movement in deferred tax attributable to actuarial gain/(loss)	23	(29)	10
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		703	730

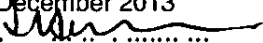
The notes on pages 10 to 26 form part of these financial statements

THOS C. WILD LIMITED
REGISTERED NUMBER 5516830

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£000	2013 £000	2012 £000
FIXED ASSETS				
Intangible assets	9		454	682
Tangible assets	10		4,123	3,611
Investments	11		4,521	4,521
			<u>9,098</u>	<u>8,814</u>
CURRENT ASSETS				
Stocks	12	1,520		1,779
Debtors	13	2,436		2,165
Cash at bank		41		1
		<u>3,997</u>		<u>3,945</u>
CREDITORS amounts falling due within one year	14	(3,428)		(4,195)
NET CURRENT ASSETS/(LIABILITIES)			<u>569</u>	<u>(250)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,667</u>	<u>8,564</u>
CREDITORS amounts falling due after more than one year	15		(5,734)	(5,231)
PROVISIONS FOR LIABILITIES				
Deferred tax	16	(439)		(411)
Grants received	17	(103)		-
			<u>(542)</u>	<u>(411)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>3,391</u>	<u>2,922</u>
Defined benefit pension scheme liability	23		(73)	(163)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>3,318</u>	<u>2,759</u>
CAPITAL AND RESERVES				
Called up share capital	18		7	7
Share premium account	19		81	81
Capital redemption reserve	19		3	3
Profit and loss account	19		3,227	2,668
SHAREHOLDERS' FUNDS	20		<u>3,318</u>	<u>2,759</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 December 2013

...  ...
J Hancock
 Director

The notes on pages 10 to 26 form part of these financial statements

THOS. C WILD LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	2013 £000	2012 £000
Net cash flow from operating activities	26	1,411	1,145
Returns on investments and servicing of finance	27	(59)	(59)
Taxation	27	(97)	-
Capital expenditure and financial investment	27	(747)	(238)
Equity dividends paid		(144)	-
CASH INFLOW BEFORE FINANCING		364	848
Financing	27	(263)	(908)
INCREASE/(DECREASE) IN CASH IN THE YEAR		101	(60)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 AUGUST 2013**

	2013 £000	2012 £000
Increase/(Decrease) in cash in the year	101	(60)
Cash outflow from decrease in debt and lease financing	263	177
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	364	117
Other non-cash changes	(120)	(162)
MOVEMENT IN NET DEBT IN THE YEAR	244	(45)
Net debt at 1 September 2012	(2,294)	(2,249)
NET DEBT AT 31 AUGUST 2013	(2,050)	(2,294)

The notes on pages 10 to 26 form part of these financial statements

THOS. C WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

Group accounts have not been prepared as all of the company's subsidiaries are permitted to be excluded from group accounts by virtue of sections 402 and 405 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue is recognised when goods are dispatched, as this is when the directors consider the risks and rewards of ownership pass to the customer.

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life of 10 years.

1.5 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2-10% straight line
Plant & machinery	-	5-20% straight line
Motor vehicles	-	33% straight line

Leasehold land and buildings are depreciated on a straight line basis over the period of the lease.

Assets in the course of construction are not depreciated until fully installed and operational.

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

THOS C WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1 ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.8 Stocks and work in progress

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

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1 10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1.11 Research and development

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

1 12 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred

THOS. C WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES (continued)

1.13 Pensions

Defined Contribution Pension Scheme

The company operates a defined contribution pension scheme which requires contributions to be made to a separately administered fund. Contributions to the fund are charged to the company profit and loss account as incurred. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Defined Benefit Pension Scheme

The company also operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 1 December 2010. The liability recognised in the company balance sheet represents the present value of the defined benefit obligation and unfunded liabilities as reduced by the fair value of defined benefit scheme assets. This scheme was closed to new entrants with effect from November 1999.

The defined benefit pension scheme liability is calculated annually by independent actuaries using the projected unit method. The present value of the defined benefit pension scheme liability is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension scheme liability.

Actuarial gains and losses are recognised in full in the period in which they occur. They are recognised directly in equity and are presented in the Statement of Total Recognised Gains and Losses. Other income and administrative expenses associated with the defined benefit scheme are recognised in the profit and loss account.

The contributions made by the employees and the company are held in a trust fund separate from the company's finances.

2. TURNOVER

Turnover is attributable to one class of business.

A geographical analysis of turnover is as follows:

	2013 £000	2012 £000
United Kingdom	9,647	9,992
Rest of European Union	158	210
Rest of World	326	429
	<u>10,131</u>	<u>10,631</u>

THOS C WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

3. OPERATING PROFIT

The operating profit is stated after charging

	2013 £000	2012 £000
Amortisation - intangible fixed assets	228	228
Depreciation of tangible fixed assets		
- owned by the company	167	230
- held under finance leases	188	74
Auditors' remuneration	13	13
Auditors' remuneration - non-audit	2	2
Operating lease rentals		
- plant and machinery	48	53
Difference on foreign exchange	(1)	-
	<u> </u>	<u> </u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013 £000	2012 £000
Wages and salaries	2,308	2,221
Social security costs	270	260
Other pension costs (Note 23)	103	54
	<u> </u>	<u> </u>
	<u>2,681</u>	<u>2,535</u>

The average monthly number of employees, including the directors, during the year was as follows

	2013 No.	2012 No.
Production	45	43
Sales	3	3
Administration	10	10
	<u> </u>	<u> </u>
	<u>58</u>	<u>56</u>

THOS. C. WILD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

5 DIRECTORS' REMUNERATION

	2013 £000	2012 £000
Emoluments	<u>364</u>	<u>396</u>
Company pension contributions to defined contribution pension schemes	<u>89</u>	<u>42</u>

During the year retirement benefits were accruing to 5 directors (2012 - 6) in respect of defined contribution pension schemes

The highest paid director received remuneration of £79,000 (2012 - £83,000)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £41,000 (2012 - £28,000)

6. INTEREST PAYABLE

	2013 £000	2012 £000
On bank loans and overdrafts	<u>42</u>	<u>49</u>
On hire purchase contracts	<u>17</u>	<u>10</u>
	<u><u>59</u></u>	<u><u>59</u></u>

7. OTHER FINANCE COSTS

	2013 £000	2012 £000
Expected return on pension scheme assets	<u>37</u>	<u>25</u>
Interest on pension scheme liabilities	<u>(39)</u>	<u>(59)</u>
	<u><u>(2)</u></u>	<u><u>(34)</u></u>

THOS. C WILD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

8. TAXATION

	2013 £000	2012 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	109	176
Adjustments in respect of prior periods	(79)	(53)
Total current tax	<u>30</u>	<u>123</u>
Deferred tax (see note 16)		
Origination and reversal of timing differences	28	11
Tax on profit on ordinary activities	<u>58</u>	<u>134</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23% (2012 - 24%) The differences are explained below

	2013 £000	2012 £000
Profit on ordinary activities before tax	<u>724</u>	<u>917</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2012 - 24%)	167	220
Effects of		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1	3
Capital allowances for year in excess of depreciation	(55)	(42)
Research and development tax credit leading to a decrease in the tax charge in respect of prior periods	(79)	(53)
Short term timing difference leading to a decrease in taxation	2	(5)
Impact of rate change	3	-
Marginal relief	(9)	-
Current tax charge for the year (see note above)	<u>30</u>	<u>123</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

THOS. C WILD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

9. INTANGIBLE FIXED ASSETS

	Goodwill £000
Cost	
At 1 September 2012 and 31 August 2013	<u>1,518</u>
Amortisation	
At 1 September 2012	836
Charge for the year	228
	<u>1,064</u>
Net book value	
At 31 August 2013	<u>454</u>
At 31 August 2012	<u>682</u>

10. TANGIBLE FIXED ASSETS

	Freehold property £000	Plant & machinery £000	Total £000
Cost			
At 1 September 2012	261	5,039	5,300
Additions	8	859	867
	<u>269</u>	<u>5,898</u>	<u>6,167</u>
At 31 August 2013			
Depreciation			
At 1 September 2012	104	1,585	1,689
Charge for the year	15	340	355
	<u>119</u>	<u>1,925</u>	<u>2,044</u>
At 31 August 2013			
Net book value			
At 31 August 2013	<u>150</u>	<u>3,973</u>	<u>4,123</u>
At 31 August 2012	<u>157</u>	<u>3,454</u>	<u>3,611</u>

The net book value of assets held under finance leases, hire purchase contracts or chattel mortgages, included above, are as follows

	2013 £000	2012 £000
Plant and machinery	<u>2,411</u>	<u>317</u>

THOS. C WILD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

11 FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost	
At 1 September 2012 and 31 August 2013	4,521
Net book value	
At 31 August 2013	4,521
At 31 August 2012	4,521
Subsidiary undertakings	

The aggregate of the share capital and reserves as at 31 August 2013 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £000	Profit/(loss) £000
Thos C Wild (Forgings) Limited	704	-
Thos C Wild (Holdings) Limited	150	-
Gridrise Limited	1	-
LG 2012 Co Limited	2,118	-
Project Wild Cat Limited	2,165	-

The shareholdings in Thos C Wild (Forgings) Limited and Project Wild Cat Limited are direct, the shareholdings in all other companies are indirect. In all instances 100% of the share capital is owned.

All of the above companies were dormant throughout the year and are registered in England and Wales.

12. STOCKS

	2013 £000	2012 £000
Raw materials	937	1,252
Work in progress	583	527
	1,520	1,779

THOS. C WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

13. DEBTORS

	2013 £000	2012 £000
Trade debtors	2,113	1,941
Amounts owed by group undertakings	166	166
Other debtors	157	58
	<u>2,436</u>	<u>2,165</u>

14 CREDITORS:

Amounts falling due within one year

	2013 £000	2012 £000
Bank overdrafts & loans	367	492
Other loans	160	-
Net obligations under finance leases and hire purchase contracts	124	90
Trade creditors	1,842	1,748
Corporation tax	109	176
Social security and other taxes	218	217
Other creditors	608	1,472
	<u>3,428</u>	<u>4,195</u>

Other creditors include **£393,000** (2012 £1,169,000) in respect of a credit facility advanced against eligible trade debtors. It is secured on all assets and subject to a deed of priority in respect of the property. The facility is available to a maximum of 95% of approved eligible debt.

The loan notes were issued on 26 August 2005. They amount to **£159,600** and were due for redemption on 31 August 2010. This has been postponed to facilitate bank security in respect of bank loans. Interest will accrue at the base rate from 26 August 2007 and will be payable on redemption. Redemption is due in December 2013.

THOS. C WILD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

15 CREDITORS

Amounts falling due after more than one year

	2013 £000	2012 £000
Bank loans	985	289
Other loans	-	160
Net obligations under finance leases and hire purchase contracts	62	95
Amounts owed to group undertakings	4,687	4,687
	<u>5,734</u>	<u>5,231</u>

Included within the above are amounts falling due as follows

	2013 £000	2012 £000
Between two and five years		
Bank loans	890	289
Over five years		
Bank loans	95	-
Other loans	-	160
Amounts owed to group undertakings	4,687	4,687

Creditors include amounts not wholly repayable within 5 years as follows

	2013 £000	2012 £000
Repayable other than by instalments	4,782	4,847

Bank loans include a commercial mortgage and a chattel mortgage

As at 31 August 2013 the chattel mortgage value is **£1,005,000** (2012 £66,000) which is secured on specific machinery included within tangible fixed assets above

A 10 year commercial mortgage totalling £210,000, was drawn down in July 2013. The value of the loan at the year end was **£208,000**. This is to be repaid over a period of 10 years by monthly instalments of £1,932 inclusive of interest. Interest will accrue at a rate of 1.5% above the bank's base rate.

The remaining bank loan facilities are secured by a fixed charge over the property of the group, a debenture over the whole assets of the group and a cross guarantee between the company and a subsidiary company.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2013 £000	2012 £000
Between one and five years	62	95

Obligations under finance leases and hire purchase contracts are secured on the assets concerned

THOS C WILD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

16 DEFERRED TAXATION

	2013	2012
	£000	£000
At beginning of year	411	400
Charge for year	28	11
	<u>439</u>	<u>411</u>
At end of year	<u>439</u>	<u>411</u>

The provision for deferred taxation is made up as follows

	2013	2012
	£000	£000
Accelerated capital allowances	448	415
Short term timing differences	(9)	(4)
	<u>439</u>	<u>411</u>
	<u>439</u>	<u>411</u>

17 GRANTS RECEIVED

	£000
At 1 September 2012	-
Additions	103
	<u>103</u>
At 31 August 2013	<u>103</u>

Regional Growth Fund Grant

The Regional Growth Fund (RGF) grant showing above is the amount received against eligible project costs to date. In total, by the project end-date of 31st March 2016, the total state aid could be £903,000 if new job creation is achieved and the full £3.6m capital outlay spent.

18 SHARE CAPITAL

	2013	2012
	£000	£000
Allotted, called up and fully paid		
68,400 Ordinary B shares of £0.10 each	7	7
	<u>7</u>	<u>7</u>

During the year ended 31 August 2012, the company repurchased 16,600 Ordinary B shares with a nominal value of 10p each, from the directors. This represents 19.5% of called up share capital before repurchase. Total consideration paid amounted to £731,205. A transfer was made from retained earnings to the capital redemption reserve to replace the nominal value of these shares.

There has been no further shares repurchased in 2013.

THOS. C. WILD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

19 RESERVES

	Share premium account £000	Capital redempt'n reserve £000	Profit and loss account £000
At 1 September 2012	81	3	2,668
Profit for the year			666
Dividends Equity capital			(144)
Pension reserve movement			37
At 31 August 2013	<u>81</u>	<u>3</u>	<u>3,227</u>

The closing balance on the profit and loss account reserve includes a £73,000 debit (2012 - £163,000) debit, stated after deferred taxation of £22,000 (2012 - £51,000), in respect of pension scheme liabilities of the company pension scheme

20 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £000	2012 £000
Opening shareholders' funds	2,759	2,760
Profit for the year	666	783
Dividends (Note 21)	(144)	-
Shares redeemed/cancelled during the year	-	(729)
Pension reserve movement	37	(53)
Capital redemption on purchase of own shares	-	(2)
Closing shareholders' funds	<u>3,318</u>	<u>2,759</u>

21. DIVIDENDS

	2013 £000	2012 £000
Dividends paid on equity capital	<u>144</u>	<u>-</u>

On 12 November 2012 the Board proposed and approved an interim dividend award of £1 per Class B ordinary share to all Class B shareholders as at 31 August 2012, to be paid out of distributable reserves before the end of December 2012, with a final dividend payment of £1 11 per Class B ordinary share in May 2013

22 CONTINGENT LIABILITIES

At 31 August 2013, the company had entered into a series of foreign currency exchange contracts to purchase Euros with a maximum sterling equivalent of £961,593 (2012 £Nil) In comparison to the year end exchange rate the maximum loss the company would incur on these contracts is £6,898 (2012 - £Nil)

THOS. C. WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

23 PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to **£103,000** (2012: £54,000). Contributions totalling **£12,000** (2012: £6,000) were payable to the fund at the balance sheet date and are included in creditors.

The company also participates in the Thos. C. Wild Ltd Retirement and Death Benefit Scheme, a defined benefit scheme for selected senior employees that was closed to new entrants from 30 November 1999. None of the members of the scheme are employees of the company. The scheme is a defined benefit occupational pension scheme with assets held in separate trustee administered funds. The related costs of the scheme are assessed in accordance with the advice of professionally qualified actuaries.

The scheme assets have been valued as the bid-price value of the units held.

The overall expected rate of return on assets has been derived assuming the rate of return on bonds is the yield, around the accounting date, available on AA rated corporate bonds. Specifically it has been assumed that this is adequately represented by the yield on the iBOXX AA Corporate > 15 years Index. The assumed rate of return on other investments (principally cash) is taken as the Royal Bank of Scotland's Base Rate around the accounting date.

The principal actuarial assumptions used at the balance sheet date were a 4.4% p.a. discount rate, 3.4% inflationary increase and the 100% of SIPxA mortality table with a 1.25% minimum improvement projection.

The amounts recognised in the balance sheet are as follows:

	2013 £000	2012 £000
Present value of funded obligations	(946)	(1,235)
Fair value of scheme assets	851	1,021
Deficit in scheme	(95)	(214)
Related deferred tax asset	22	51
Net liability	(73)	(163)

The amounts recognised in profit or loss are as follows:

	2013 £000	2012 £000
Interest on obligation	(39)	(59)
Expected return on scheme assets	37	25
Total	(2)	(34)

THOS. C WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

23. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows

	2013 £000	2012 £000
Opening defined benefit obligation	1,235	1,152
Interest cost	39	59
Actuarial (gains)/losses	(53)	145
Benefits paid	(275)	(121)
	<hr/>	<hr/>
Closing defined benefit obligation	946	1,235
	<hr/>	<hr/>

Changes in the fair value of scheme assets were as follows

	2013 £000	2012 £000
Opening fair value of scheme assets	1,021	989
Expected return on assets	37	25
Actuarial gains/(losses)	13	82
Contributions by employer	55	46
Benefits paid	(275)	(121)
	<hr/>	<hr/>
	851	1,021
	<hr/>	<hr/>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses was £66,000 credit (2012 - £63,000 debit)

The company expects to contribute £64,737 to its defined benefit pension scheme in 2014

The Scheme's assets are invested in insurance policies with companies belonging to JLT Benefit Solutions Limited. The major categories of scheme assets as a percentage of total scheme assets are as follows

	2013	2012
Equities	24.20 %	30.80 %
Corporate bonds	5.50 %	7.80 %
Gilts	1.90 %	2.70 %
Cash	10.10 %	6.30 %
Insured pensioners	58.30 %	52.40 %

THOS C WILD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

23 PENSION COMMITMENTS (continued)

The expected rates of return on scheme assets at the balance sheet date are as follows

	2013	2012
Equities	6.50 %	6.50 %
Corporate bonds	3.40 %	3.90 %
Gifts	2.50 %	2.50 %
Cash	3.40 %	0.50 %
Insured pensioners	4.40 %	- %

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) are a discount rate at 31 August of 4.40% (2012 3.90%), future pension increases of 3.30% (2012 3.00%) and inflation of 3.20% (2012 3.30%)

Amounts for the current and previous four periods are as follows

Defined benefit pension schemes

	2013 £000	2012 £000	2011 £000	2010 £000	2009 £000
Defined benefit obligation	(946)	(1,235)	(1,152)	(1,291)	(1,644)
Scheme assets	851	1,021	989	1,024	1,350
Deficit	(95)	(214)	(163)	(267)	(294)
Experience adjustments on scheme liabilities	53	(145)	167	(104)	(312)
Experience adjustments on scheme assets	13	82	(64)	115	(14)

24. OPERATING LEASE COMMITMENTS

At 31 August 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2013 £000	2012 £000	2013 £000	Other 2012 £000
Expiry date:				
Within 1 year	-	-	13	16
Between 2 and 5 years	-	-	31	36
After more than 5 years	1	1	-	-

THOS. C. WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

25 RELATED PARTY TRANSACTIONS

The Company owes amounts to directors, as follows

J Hancock - **£54,600** (2012 £54,600)

G Lewis - **£54,600** (2012 £54,600)

M Justice - **£25,200** (2012 £25,200)

M Howson - **£25,200** (2012 £25,200)

The loans are included in other loans in creditors due within one year The maximum amount outstanding during the year was as above

At year end, interest accrued on the above loans totalled **£14,580** (2012 £13,713) and is included in creditors

Dividends totalling **£144,324** (2012 £Nil) were paid to directors in the year **£24,687** (2012 £Nil) was paid to each of Mr J Hancock, Ms I Y Hancock, Mr G J Lewis and Ms L A Lewis and **£22,788** (2012 £Nil) to each of Mr M Howson and Mr M R Justice

26 NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £000	2012 £000
Operating profit	785	1,010
Amortisation of intangible fixed assets	228	228
Depreciation of tangible fixed assets	355	304
Loss on disposal of tangible fixed assets	-	(1)
Government grants received	103	-
Decrease/(increase) in stocks	259	(387)
(Increase)/decrease in debtors	(271)	47
Increase/(decrease) in creditors	7	(10)
Defined Benefit Pension contributions	(55)	(46)
Net cash inflow from operating activities	1,411	1,145

27. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2013 £000	2012 £000
Returns on investments and servicing of finance		
Interest paid	(42)	(49)
Hire purchase interest	(17)	(10)
Net cash outflow from returns on investments and servicing of finance	(59)	(59)
	2013 £000	2012 £000
Taxation		
Corporation tax	(97)	-

THOS. C WILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

27. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2013 £000	2012 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(747)	(253)
Sale of tangible fixed assets	-	15
Net cash outflow from capital expenditure	(747)	(238)
	2013 £000	2012 £000
Financing		
Purchase of own shares	-	(731)
New secured loans	1,403	92
Repayment of loans	(707)	(417)
Decrease in short term borrowings	(64)	-
Repayment of finance leases	(119)	(111)
Movements on invoice discounting	(776)	259
Net cash outflow from financing	(263)	(908)

28. ANALYSIS OF CHANGES IN NET DEBT

	1 September 2012 £000	Cash flow £000	Other non-cash changes £000	31 August 2013 £000
Cash at bank and in hand	1	40	-	41
Bank overdraft	(71)	61	-	(10)
	(70)	101	-	31
Finance leases	(185)	119	(120)	(186)
Debts due within one year	(421)	64	(160)	(517)
Invoice discounting	(1,169)	776	-	(393)
Debts falling due after more than one year	(449)	(696)	160	(985)
Net debt	(2,294)	364	(120)	(2,050)

29. MAJOR NON-CASH TRANSACTIONS

During the year the company entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of £120,000 (2012 £162,000)