

Company No. 03192327

THE SEBDEN GROUP LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

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THE SEBDEN GROUP LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

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THE SEBDEN GROUP LIMITED

COMPANY INFORMATION

COMPANY NUMBER 3192327

The board of Directors	R E Hill - Chairman BJ Sanders M P Whitby M C Weisselberg
Business Address	Craven House Craven Road Broadheath Altrincham Cheshire WA14 5HE
Registered Office	Craven House Craven Road Broadheath Altrincham Cheshire WA14 5HE
Auditors	Baker Tilly UK Audit LLP Chartered Accountants Bluebell House Brian Johnson Way Preston PR2 5PE
Bankers	HSBC 4 Hardman Square Spinningfields Manchester M3 3EB

THE SEBDEN GROUP LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2014

The principal activities of the group continued to be those of steel service centres and processors.

Key performance indicators

The group's key financial and other performance indicators during the period were as follows:

	2014	2013
Turnover	£90.8m	£87.1m
Gross profit	£6.96m	£6.27m
Gross profit %	7.67%	7.20%
Profit before tax and amortisation	£0.72m	£0.33m
Stock	£11.0m	£13.2m
Net asset position	£12.20m	£11.65m

Review of the business

The directors are satisfied with the results for the year and anticipate the present level of activity will be sustained for the next twelve months.

Development and performance of the business

The profit on the ordinary activities of the group before taxation amounted to £639,000 (2013: £283,000). After tax, the profit of £505,000 (2013: £568,000) has been transferred to reserves.

The Directors continue to be pleased with the performance of the business in a tough economic climate and expect the business to continue to perform well in the future.

Position at the end of the period

The balance sheet at the end of the period shows that the group's net assets have increased by £0.55m to £12.20m.

THE SEBDEN GROUP LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2014

Principal risks and uncertainties

The group finances its operations through a mixture of retained profits and where necessary to fund expansion or capital expenditure programmes through bank borrowings.

The management's objectives are to:

- retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due whilst maximising returns on surplus funds;
- minimise the group's exposure to fluctuating interest rates when seeking new borrowings; and
- match the repayment schedule of any external borrowings or overdrafts with the expected future cash flows expected to arise from the group's trading activities.

The group uses forward exchange contracts to mitigate its exchange risk.

Signed by order of the directors



B J Sanders

Director

Approved by the directors on 10/12/14

THE SEBDEN GROUP LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2014

The directors submit their report together with the audited financial statements for the year ended 30 April 2014.

Results and dividends

The profit on the ordinary activities of the group before taxation amounted to £639,000 (2013: £283,000). After tax, the profit of £505,000 (2013: £568,000) has been transferred to reserves.

No dividends have been paid or proposed in the current or previous year.

Financial risk management objectives and policies

The group finances its operations through a mixture of retained profits and where necessary to fund expansion or capital expenditure programmes through bank borrowings.

The management's objectives are to:

- retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due whilst maximising returns on surplus funds;
- minimise the group's exposure to fluctuating interest rates when seeking new borrowings; and
- match the repayment schedule of any external borrowings or overdrafts with the expected future cash flows expected to arise from the group's trading activities.

The group uses forward exchange contracts to mitigate its exchange risk.

Where appropriate, funds are invested in short term variable rate accounts and borrowings are all obtained from standard bank loan accounts and as such there is little price risk exposure. The directors believe that this gives them the flexibility to release cash resources at short notice and also allows them to take advantage of changing conditions in the finance markets as they arise. All deposits are with reputable UK banks.

Directors

The directors who served during the year were as follows:

R E Hill
B J Sanders
M P Whitby
M C Weisselberg

THE SEBDEN GROUP LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2014

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated 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 consolidated financial statements unless they are 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 year.

In preparing these consolidated financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of consolidated financial statements may differ from legislation in other jurisdictions.

Auditor

Baker Tilly Audit Limited ceased trading on 31st March 2014. The directors, having been notified of the cessation of trade of Baker Tilly Audit Limited, appointed Baker Tilly UK Audit LLP as Auditor on 1 April 2014 to fill the casual vacancy. In accordance with the Companies Act 2006 a resolution proposing the appointment of Baker Tilly UK Audit LLP as Auditor will be put to the members.

Strategic report

The information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the separate Strategic Report in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

THE SEBDEN GROUP LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2014

Post balance sheet events

On 2 May 2014, The Sebden Group acquired the trade and assets of Brand Newco 453 Limited (formerly Eterniti Steels Limited), a company that is now in liquidation.

Registered office:

Craven House
Craven Road
Broadheath
Altrincham
Cheshire
WA15 5HE

By Order of the Board:



B J Sanders, Director

Date: 10-12-14

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE SEBDEN GROUP LIMITED

We have audited the group and parent company financial statements of The Sebden Group Limited on pages 8 to 24 for the year ended 30 April 2014 which comprise the group profit and loss account, the group balance sheet, the parent company balance sheet, the group cashflow and 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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

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 group's and the parent company's affairs as at 30 April 2014 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF THE SEBDEN GROUP LIMITED**

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Christopher Moss, Senior Statutory Auditor
for and on behalf of



Baker Tilly UK Audit LLP
Chartered Accountants
Bluebell House
Brian Johnson Way
Preston
PR2 5PE

Date: 17/12/14

THE SEBDEN GROUP LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2014

	Notes	2014 £'000	2013 £'000
Turnover	2	90,838	87,099
Cost of sales		<u>(83,882)</u>	<u>(80,825)</u>
Gross profit		6,956	6,274
Administrative expenses		<u>(6,013)</u>	<u>(5,740)</u>
Operating profit	3	943	534
Interest payable	5	<u>(304)</u>	<u>(251)</u>
Profit on ordinary activities before taxation		639	283
Tax on profit on ordinary activities	6	<u>(134)</u>	<u>285</u>
Profit for the financial year	18	<u>505</u>	<u>568</u>

All amounts relate to continuing activities.

There have been no recognised gains and losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

The notes on pages 13 to 24 form part of these financial statements

THE SEBDEN GROUP LIMITED
Registered Number 3192327
CONSOLIDATED BALANCE SHEET

AS AT 30 APRIL 2014

	Notes	2014		2013	
		£'000	£'000	£'000	£'000
Fixed Assets					
Intangible assets	7		1,414		1,494
Tangible assets	8		<u>11,254</u>		<u>11,805</u>
			12,668		13,299
Current Assets					
Stocks	11	10,994		13,190	
Debtors	12	25,131		19,327	
Cash at bank and in hand		<u>837</u>		<u>492</u>	
		36,962		33,009	
Creditors					
Amounts falling due within one year	13	<u>(36,632)</u>		<u>(33,637)</u>	
Net Current Assets/(Liabilities)			<u>330</u>		<u>(628)</u>
Total Assets Less Current Liabilities			12,998		12,671
Creditors: Amounts falling due after more than one year					
	14		-		(139)
Provisions for Liabilities and Charges					
Deferred taxation	16		<u>(794)</u>		<u>(883)</u>
			<u>12,204</u>		<u>11,649</u>
Capital and Reserves					
Called up share capital	17		25		24
Share premium account	18		2,386		2,337
Capital redemption reserve	18		21		21
Profit and loss account	18		9,772		9,267
Shareholders' funds	19		<u>12,204</u>		<u>11,649</u>

These financial statements were approved by the Board on 10-12-14



R E Hill
Director

The notes on pages 13 to 24 form part of these financial statements

THE SEBDEN GROUP LIMITED
Registered Number 3192327
BALANCE SHEET

AS AT 30 APRIL 2014

	Notes	2014		2013	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	9		6,163		6,163
Current assets					
Debtors	12	4,211		3,554	
Cash at bank and in hand		54		6	
		<u>4,265</u>		<u>3,560</u>	
Creditors					
Amounts falling due within one year	13	<u>(7,561)</u>		<u>(6,960)</u>	
Net current liabilities			<u>(3,296)</u>		<u>(3,400)</u>
Total Assets Less Current Liabilities			<u>2,867</u>		<u>2,763</u>
Capital and Reserves					
Called up share capital	17		25		24
Share premium account	18		2,386		2,337
Capital redemption reserve	18		21		21
Profit and loss account	18		435		381
			<u>2,867</u>		<u>2,763</u>
Shareholders' funds	19		<u>2,867</u>		<u>2,763</u>

These financial statements were approved by the Board on 10-12-14



R E Hill
Director

The notes on pages 13 to 24 form part of these financial statements

THE SEBDEN GROUP LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2014

	Notes	2014 £'000	2013 £'000
Cash flow from operating activities	20	1,280	3,849
Returns on investments and servicing of finance	21	(304)	(251)
Taxation		(155)	(181)
Capital expenditure	21	(215)	(318)
Acquisitions	21	-	(23)
Cash inflow before financing		606	3,076
Financing	21	(261)	(3,025)
Increase in cash in the year	22	<u>345</u>	<u>51</u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the year	22	345	51
Cash outflow from decrease in debt and hire purchase	22	<u>311</u>	<u>472</u>
Movement in net funds in the year	22	656	523
Net funds at 1 May 2013	22	48	(475)
Net funds at 30 April 2014	22	<u>704</u>	<u>48</u>

The notes on pages 13 to 24 form part of these financial statements

THE SEBDEN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

1 Principal Accounting Policies

Accounting Convention

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

Going Concern

The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as the group had adequate cash resources to indicate that the group will continue to trade within its existing bank facilities.

Basis of Consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and all of its subsidiary undertakings up to the balance sheet date. The results of subsidiary undertakings are included in the group financial statements from the effective date of acquisition or up to their date of disposal.

Goodwill arising on consolidation, representing the excess of the fair value of consideration paid over the fair values of the net assets acquired, is capitalised and amortised over its estimated useful economic life of ten or twenty years.

Negative goodwill, representing the excess of the fair value of net assets acquired over the fair value of the consideration given is capitalised and released to the profit and loss account over the periods in which non-monetary assets acquired are expected to be recovered, whether through depreciation or sale. The directors anticipate that the period over which the negative goodwill will be released to the profit and loss account is ten years.

The company is exempt from the requirement to present its own profit and loss account under the provisions of Section 408 of the Companies Act 2006.

Turnover

Turnover represents the invoiced amount of goods sold less returns and allowances, excluding value added tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards have been transferred to the customer, which is on invoice.

Research and Development

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

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives. The principal annual rates and methods used are:

Freehold buildings	2% straight line
Short leasehold land and buildings	Equally over the period of the lease
Computer equipment	25% on cost
Furniture and fittings	10% reducing balance
Plant, machinery and office equipment	10% reducing balance
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

THE SEBDEN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

1 Principal Accounting Policies (continued)

Leasing and Hire Purchase

Certain tangible fixed assets are held under finance leases and hire purchase agreements. These assets are included in the balance sheet and are depreciated accordingly. The capital element of the corresponding financing commitments is included in the balance sheet. The finance element of repayments is charged to the profit and loss account in proportion to the reducing capital element outstanding.

All other leases held are operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Fixed Asset Investments

Fixed asset investments are stated at cost, less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the profit from ordinary activities.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pension Costs

The group has contributed to defined contribution pension schemes. The assets of the scheme are held separately from those of the group in independently administered funds. The amount charged against profits represents the contributions payable to the schemes in respect of the accounting year.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

2 Turnover

The directors have not disclosed turnover by geographical location as they consider it to be seriously prejudicial to the interests of the company to disclose such information.

THE SEBDEN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

3 Operating Profit

The operating profit is stated after charging:

	2014	2013
	£'000	£'000
Hire of equipment – operating leases	130	117
Lands and buildings - operating leases	513	561
Auditors' remuneration		
- Audit services	24	23
- Other (see below)	21	38
Depreciation – owned assets	559	558
– assets under finance leases	148	201
Loss/(Profit) on disposal of fixed assets	59	(2)
Amortisation	<u>80</u>	<u>43</u>
Auditors' remuneration for other services		
- Other services relating to taxation	8	7
- Tax advisory services	8	29
- All other services	<u>5</u>	<u>2</u>
	<u>21</u>	<u>38</u>

4 Directors and Employees

Staff costs during the year were as follows:

	2014	2013
	£'000	£'000
Wages and salaries	5,008	5,358
Social security costs	375	529
Pension	<u>236</u>	<u>241</u>
	<u>5,619</u>	<u>6,128</u>

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

	2014	2013
	Number	Number
Production	121	130
Administrative staff	<u>67</u>	<u>75</u>
	<u>188</u>	<u>205</u>

Remuneration in respect of directors was as follows:

	2014	2013
	£'000	£'000
Emoluments	<u>415</u>	<u>376</u>

The group has made contributions to a defined contribution scheme. Contributions during the year totalled £236,000 (2013: £241,000).

THE SEBDEN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

5 Interest Payable

	2014	2013
	£'000	£'000
On bank and other loans	<u>304</u>	<u>251</u>

6 Taxation

	2014	2013
	£'000	£'000
<i>Based on the profit for the year:</i>		
UK corporation tax at 21% (2013: 23%)		
Group	223	170
Associated undertakings	-	8
Prior year over provision	-	(206)
	<u>223</u>	<u>(28)</u>
Deferred tax credit	(89)	(257)
	<u>134</u>	<u>(285)</u>

The current tax assessed for the year is higher (2013: lower) than tax on the profit for the year at the standard rate of tax applicable to the company of 21% (2013: 23%). The difference is explained below:

	2014	2013
	£'000	£'000
Profit on ordinary activities before taxation	<u>639</u>	<u>283</u>
Tax on the profit on ordinary activities at the above rates	134	65
Tax effect of:		
Expenses not deductible for tax purposes	22	30
Difference between capital allowances and depreciation	26	40
Tax charged at different rates	17	3
Prior year over provision	-	(206)
Consolidation adjustments	-	32
Tax on share of associate	-	8
Losses carried forward	12	-
Other differences	12	-
	<u>223</u>	<u>(28)</u>

Reductions in the UK Corporation Tax rate from 23% to 21% (effective from 1 April 2014) and from 21% to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This has reduced the company's tax charge accordingly and the deferred tax at 30 April 2014 has been calculated at the reduced rate of 20%.

THE SEBDEN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

7 Intangible Fixed Assets

Group	Goodwill on consolidation £'000	Negative goodwill on consolidation £'000	Other £'000	Total £'000
Cost				
At 1 May 2013	2,603	(404)	25	2,224
At 30 April 2014	2,603	(404)	25	2,224
Amortisation				
At 1 May 2013	1,124	(404)	10	730
Charge for the year	77	-	3	80
At 30 April 2014	1,201	(404)	13	810
Net book value				
At 30 April 2014	1,402	-	12	1,414
At 30 April 2013	1,479	-	15	1,494

8 Tangible Fixed Assets

Group	Freehold land and buildings £'000	Plant, vehicles and equipment £'000	Short leasehold land and buildings £'000	Total £'000
Cost				
At 1 May 2013	5,450	16,727	474	22,651
Additions	-	221	23	244
Disposals	-	(489)	-	(489)
At 30 April 2014	5,450	16,459	497	22,406
Depreciation				
At 1 May 2013	26	10,601	219	10,846
Charge for the year	28	650	29	707
On disposals	-	(401)	-	(401)
At 30 April 2014	54	10,850	248	11,152
Net book value				
At 30 April 2014	5,396	5,609	249	11,254
At 30 April 2013	5,424	6,126	255	11,805

Hire purchase agreements

Included within the net book value of £11,254,000 is £848,000 (2013: £1,849,000) relating to assets held under finance lease agreements.

The depreciation charged to the financial statements in the year in respect of such assets amounted to £148,000 (2013: £201,000).

THE SEBDEN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

9 Fixed Asset Investments

Company	Cost	Net book value
	At 30 April 2014	At 30 April 2014
	6,163	6,163
	6,163	6,163

Group undertakings
£'000

10 Principal Fixed Asset Investments

The company's principal subsidiary undertakings are as follows:

Name	Class of share	Proportion of shares held	Nature of business
Sebden Steel Limited	Ordinary	100%	Dormant holding company
Sebden Steel Service Centres Limited *	Ordinary	100%	Steel service centres and processor
Albion Sections Limited *	Ordinary	100%	Manufacturer of cold rolled sections for the construction and
Structural Systems Limited **	Ordinary	100%	engineering industries Design fabrication and installation of steelwork
Cobco (939) Limited	Ordinary	100%	Dormant holding company
Cobco (236) Limited ***	Ordinary	100%	Property investment
Bytecomm Limited ****	Ordinary	100%	Dormant

The company's voting rights in respect of each subsidiary undertaking are held in the same proportion as the company's share of the ordinary share capital of each subsidiary.
* Shares held by Sebden Steel Limited, a subsidiary undertaking of the company.
** Shares held by Albion Sections Limited, a subsidiary undertaking of the company.
*** Shares held by Cobco (939) Limited, a subsidiary undertaking of the company.
**** Shares held by Cobco (236) Limited, a subsidiary undertaking of the company.

THE SEBDEN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

11 Stocks	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Finished goods and goods for resale	10,994	13,190	-	-

There is no significant difference between the replacement cost of stock and the value at which it is stated in the financial statements.

12 Debtors	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Trade debtors	24,038	18,435	-	-
Amounts owed by group undertakings	-	-	3,325	3,226
Corporation tax recoverable	-	51	-	-
Other debtors	327	89	321	328
Prepayments and accrued income	766	752	565	-
	<u>25,131</u>	<u>19,327</u>	<u>4,211</u>	<u>3,554</u>

13 Creditors: Amounts Falling Due Within One Year

	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Trade creditors	20,338	16,527	-	-
Obligations under finance leases	133	305	-	-
Corporation tax	207	190	-	5
Other taxes and social security	1,074	1,289	24	22
Amounts owed to group undertakings	-	-	7,527	6,927
Other creditors	9,750	11,390	10	6
Accruals and deferred income	5,130	3,936	-	-
	<u>36,632</u>	<u>33,637</u>	<u>7,561</u>	<u>6,960</u>

Included in group other creditors is £9,657,000 (2013: £11,290,000) which is secured on the book debts of the group.

14 Creditors: Amounts Falling Due After More Than One Year

	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Obligations under finance leases	-	139	-	-

THE SEBDEN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2014

15 Commitments under hire purchase agreements

Future commitments finance lease agreements are as follows:

	Group 2014 £'000	<i>Group 2013 £'000</i>	Company 2014 £'000	<i>Company 2013 £'000</i>
Amounts payable within one year	133	305	-	-
Amounts payable between two and five years	-	139	-	-
	<u>133</u>	<u>444</u>	-	-

Obligations under finance leases are secured upon the assets concerned.

16 Deferred Taxation

Deferred taxation provided for in the financial statements is set out below:

	Group 2014 £'000	<i>Group 2013 £'000</i>	Company 2014 £'000	<i>Company 2013 £'000</i>
Amount provided				
Accelerated capital allowances	794	883	-	-
	<u>794</u>	<u>883</u>	-	-

The movement on the provision for deferred taxation was as follows:

	2014 £'000	<i>2013 £'000</i>
At 1 May 2013	883	938
Deferred tax acquired	-	202
Profit and loss account movement arising during the year	<u>(89)</u>	<u>(257)</u>
At 30 April 2014	<u>794</u>	<u>883</u>

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17 Share Capital

	2014 £'000	2013 £'000
Authorised		
20,000,000 Ordinary shares of 1p each	200	200
200,000 Ordinary 'B' shares of 1p each	2	2
158,000 Ordinary 'C' shares of 1p each	2	2
Allotted, called up and fully paid		
2,253,327 Ordinary shares of 1p each	23	23
83,000 (2013: nil) Ordinary 'B' shares of 1p each	1	-
158,000 Ordinary 'C' shares of 1p each	1	1
	25	24

Share options

During the year 83,000 share options over 'B' ordinary shares with an exercise price of 60 pence per share were exercised. The remaining 47,000 share options over 'B' ordinary shares have lapsed.

18 Reserves

	Share Premium Account £'000	Capital Redemption Reserve £'000	Profit and loss account £'000
Group			
At 1 May 2013	2,337	21	9,267
Shares issued	49	-	-
Retained profit for the period	-	-	505
At 30 April 2014	2,386	21	9,772
Company			
At 1 May 2013	2,337	21	381
Shares issued	49	-	-
Retained profit for the period	-	-	54
At 30 April 2014	2,386	21	435

The parent company profit for the year was £54,000 (2013: £8,000).

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19 Reconciliation of Movements in Shareholders' Funds

	Group 2014 £'000	<i>Group 2013 £'000</i>	Company 2014 £'000	<i>Company 2013 £'000</i>
Opening shareholders' funds	11,649	11,453	2,763	3,127
Profit for the financial year	505	568	54	8
Share capital issued	50	2,181	50	2,181
Shares bought back	-	(2,553)	-	(2,553)
Closing shareholders' funds	<u>12,204</u>	<u>11,649</u>	<u>2,867</u>	<u>2,763</u>

20 Reconciliation of Operating Profit to Operating Cash Flows

	2014 £'000	<i>2013 £'000</i>
Operating profit	943	534
Share of operating profit in associate	-	(27)
Depreciation and amortisation charges/credits	787	716
Loss/(profit) on disposal of fixed assets	59	(2)
Decrease/(increase) in stocks	2,196	(3,106)
(Increase)/decrease in debtors	(5,855)	2,873
Increase in creditors	3,150	2,861
	<u>1,280</u>	<u>3,849</u>

21 Gross Cash Flows

	2014 £'000	<i>2013 £'000</i>
Returns on investments and servicing of finance		
Interest paid	(304)	(251)
Net cash outflow from returns on investments and servicing of finance	<u>(304)</u>	<u>(251)</u>

	2014 £'000	<i>2013 £'000</i>
Capital expenditure		
Purchase of tangible fixed assets	(244)	(352)
Proceeds from the sale of tangible fixed assets	29	34
Net cash outflow for capital expenditure	<u>(215)</u>	<u>(318)</u>

	2014 £'000	<i>2013 £'000</i>
Acquisitions		
Acquisition of shares in group undertaking	-	(54)
Net cash acquired with subsidiary	-	31
Net cash outflow for acquisitions	<u>-</u>	<u>(23)</u>

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21 Gross Cash Flows (continued)

	2014 £'000	2013 £'000
Financing		
Proceeds from share issue	50	-
Purchase of own equity shares	-	(10)
Premium on purchase of own equity shares	-	(2,543)
Capital element of payments under hire purchase agreements	(311)	(472)
Net cash outflow from financing	<u>(261)</u>	<u>(3,025)</u>

22 Analysis of Change in Net Funds

	2013 £'000	Cash Flow £'000	2014 £'000
Cash at bank and in hand	<u>492</u>	<u>345</u>	<u>837</u>
Hire purchase	<u>(444)</u>	<u>311</u>	<u>(133)</u>
	<u>(444)</u>	<u>311</u>	<u>(133)</u>
Net funds	<u>48</u>	<u>656</u>	<u>704</u>

23 Commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the next financial year:

	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Leases of land and buildings which expire:				
- within 1 year	-	94	-	-
- between one and five years	450	289	-	-
- after five years	94	162	-	-
	<u>544</u>	<u>545</u>	<u>-</u>	<u>-</u>
Leases of other assets which expire:				
- within one year	18	29	-	-
- between one and five years	106	45	-	-
	<u>124</u>	<u>74</u>	<u>-</u>	<u>-</u>

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24 Derivatives

The group holds or issues financial instruments that qualify as derivatives in order to manage its interest rates and currency risks arising from its operations.

The group places forward contracts for the sale and purchase of Euros at fixed rates. At the year end the following contracts had not yet matured:

No forward contracts were held at the year end. Last year Euro contracts to sell €600,000 were in place at the year end.

The directors consider that the fair value for the fixed exchange rate, the derivative element of these forward purchase contracts, is not material.

25 Control

The directors consider that the company's ultimate controlling party are the directors of the company.

26 Related Party Transactions

The company has taken advantage of the exemption within FRS 8 not to disclose transactions and balances with other group undertakings.

27 Post balance sheet events

On 2 May 2014, The Sebden Group acquired the trade and assets of Brand Newco 453 Limited (formerly Eterniti Steels Limited), a company that is now in liquidation.