

Company Registration No. 03192327 (England and Wales)

THE SEBDEN GROUP LIMITED

**REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2015**



THE SEBDEN GROUP LIMITED

COMPANY INFORMATION

Directors	B J Sanders R E Hill M P Whitby M C Weisselberg
Company number	03192327
Registered office	Craven House Craven Road Broadheath Altrincham Cheshire WA14 5HE
Registered auditors	RSM UK Audit LLP Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE
Business address	Craven House Craven Road Broadheath Altrincham Cheshire WA14 5HE
Bankers	HSBC 4 Hardman Square Spinningfields Manchester M3 3EB

THE SEBDEN GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2015

The directors present the strategic report and financial statements for the year ended 30 April 2015.

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.

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 £0.26m to £12.47m.

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.

Development and performance of the business

The profit on the ordinary activities of the group before taxation amounted to £802,000 (2014: £639,000). After tax, the profit of £533,000 (2014: £505,000) has been transferred to reserves.

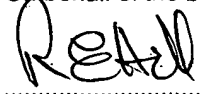
The Directors continue to be pleased with the performance of the business in a tough economic climate and expect the business to continue to perform well in the future.

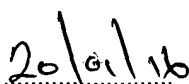
Key performance indicators

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

	2015	2014
Turnover	£124.4m	£90.8m
Gross profit	£9.19m	£6.96m
Gross profit %	7.39%	7.67%
Profit before tax and amortisation	£0.86m	£0.72m
Stock	£17.6m	£11.0m
Net asset position	£12.47m	£12.20m

On behalf of the board





THE SEBDEN GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2015

The directors present their report and financial statements for the year ended 30 April 2015.

Principal activities

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

Results and dividends

The group's trading profit for the year, after taxation was £533,000 (2014: £505,000).

Details of dividends are set out in note 9 of the accounts.

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 held office during the year and up to the date of signature of the financial statements were as follows:

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

Auditors

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

THE SEBDEN GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

Statement of disclosure to auditors

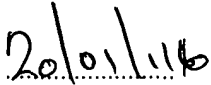
So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

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.

On behalf of the board


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THE SEBDEN GROUP LIMITED

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2015

The directors are responsible for preparing the Strategic Report, 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 group and of the profit or loss of the group for that period. In preparing these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SEBDEN GROUP LIMITED

We have audited the group and parent company financial statements ("the financial statements") on pages 6 to 25. 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 more fully explained in the Directors' Responsibilities Statement 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://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 parent company's affairs as at 30 April 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

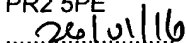
Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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 RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor
Chartered Accountants
Bluebell House
Brian Johnson Way
Preston
Lancashire
PR2 5PE



THE SEBDEN GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2015

	Notes	2015 £000	2014 £000
Turnover	2	124,408	90,838
Cost of sales		(115,217)	(83,882)
Gross profit		<u>9,191</u>	<u>6,956</u>
Administrative expenses		(7,953)	(6,013)
Operating profit		<u>1,238</u>	<u>943</u>
Interest payable and similar charges	5	(436)	(304)
Profit on ordinary activities before taxation	6	<u>802</u>	<u>639</u>
Tax on profit on ordinary activities	7	(269)	(134)
Profit on ordinary activities after taxation	22	<u><u>533</u></u>	<u><u>505</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

THE SEBDEN GROUP LIMITED
BALANCE SHEETS
AS AT 30 APRIL 2015

	Notes	Group 2015 £000	2014 £000	Company 2015 £000	2014 £000
Fixed assets					
Other intangibles	10	10	12	-	-
Goodwill	11	1,612	1,402	-	-
		<u>1,622</u>	<u>1,414</u>	<u>-</u>	<u>-</u>
Intangible assets		1,622	1,414	-	-
Tangible assets	12	17,493	11,254	-	-
Investments	13	-	-	6,163	6,163
		<u>19,115</u>	<u>12,668</u>	<u>6,163</u>	<u>6,163</u>
Current assets					
Stocks	14	17,615	10,994	-	-
Debtors	15	32,703	25,131	3,708	4,211
Investments	16	100	-	-	-
Cash at bank and in hand		171	837	93	54
		<u>50,589</u>	<u>36,962</u>	<u>3,801</u>	<u>4,265</u>
Creditors: amounts falling due within one year	17	<u>(52,410)</u>	<u>(36,632)</u>	<u>(7,315)</u>	<u>(7,561)</u>
Net current (liabilities)/assets		<u>(1,821)</u>	<u>330</u>	<u>(3,514)</u>	<u>(3,296)</u>
Total assets less current liabilities		<u>17,294</u>	<u>12,998</u>	<u>2,649</u>	<u>2,867</u>
Creditors: amounts falling due after more than one year	18	(3,729)	-	-	-
Provisions for liabilities	19	(1,100)	(794)	-	-
Net assets		<u>12,465</u>	<u>12,204</u>	<u>2,649</u>	<u>2,867</u>
Capital and reserves					
Called up share capital	21	25	25	25	25
Share premium account	22	2,386	2,386	2,386	2,386
Other reserves	22	21	21	21	21
Profit and loss account	22	10,033	9,772	217	435
Shareholders' funds	23	<u>12,465</u>	<u>12,204</u>	<u>2,649</u>	<u>2,867</u>

The financial statements on pages 6 to 25 were approved by the Board of Directors and authorised for issue on 29-1-16 and are signed on its behalf by:


 B J Sanders
 Director

THE SEBDEN GROUP LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2015

		2015	2014
		£000	£000
Net cash inflow from operating activities	24	660	1,280
Returns from investment and servicing of finance	24	(436)	(304)
Taxation		(251)	(155)
Capital expenditure and financial investment	24	(1,380)	(215)
Equity dividends		(272)	-
		<hr/>	<hr/>
Cash (outflow)/inflow before management of liquid resources and financing		(1,679)	606
Financing	24	1,013	(261)
		<hr/>	<hr/>
(Decrease)/increase in cash in the year		(666)	345
		<hr/> <hr/>	<hr/> <hr/>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET (DEBT)/FUNDS

(Decrease)/increase in cash in the year		(666)	345
Net cash (outflow)/inflow from movement in debt and lease financing		(1,175)	311
		<hr/>	<hr/>
Change in net debt resulting from cash flows		(1,841)	656
New finance leases		(3,249)	-
		<hr/>	<hr/>
Movement in net (debt)/funds in the year		(5,090)	656
Opening net funds		704	48
		<hr/>	<hr/>
Closing net (debt)/funds	24	(4,386)	704
		<hr/> <hr/>	<hr/> <hr/>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2015

1 Accounting policies

Basis of accounting

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

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. Profits or losses on intra-group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair values reflecting their condition at that date.

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.

Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Freehold buildings	2% straight line
Short leasehold land and buildings	Equally over the period of the lease
Plant, vehicles and equipment	10% - 25% reducing balance

Freehold land is not depreciated.

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

1 Accounting policies (Continued)

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

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

Investments

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

Current asset investments are stated at the lower of cost and net realisable value.

Stock and work in progress

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.

Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

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 group 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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

3 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Production	135	122
Administrative	100	84
	<u>235</u>	<u>206</u>

Employment costs

	2015 £000	2014 £000
Wages and salaries	6,270	5,413
Social security costs	597	537
Other pension costs	308	250
	<u>7,175</u>	<u>6,200</u>

4 Directors' remuneration

	2015 £000	2014 £000
Remuneration for qualifying services	522	415
Company pension contributions to money purchase pension schemes	59	52
	<u>581</u>	<u>467</u>

5 Interest payable and similar charges

	2015 £000	2014 £000
On bank loans and overdrafts	361	304
Hire purchase interest	50	-
Other interest	25	-
	<u>436</u>	<u>304</u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

6 Profit on ordinary activities before taxation	2015	2014
	£000	£000
Profit on ordinary activities before taxation is stated after charging/ (crediting):		
Amortisation of intangible assets	55	80
Depreciation of tangible fixed assets		
- owned	859	559
- held under finance leases and hire purchase contracts	133	148
(Profit)/loss on disposal of tangible assets	(2)	59
Operating lease rentals		
- Plant and machinery	156	130
- Other assets	747	513
	<u> </u>	<u> </u>

The audit fee for the company has been borne by fellow group companies.

Auditor's remuneration

Amounts payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services were as follows

Audit services		
- statutory audit of financial statements - (company £nil; 2014: £nil)	26	22
Non audit services		
Tax compliance services	6	8
All other services	4	13
	<u> </u>	<u> </u>
	<u>34</u>	<u>43</u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

7	Tax on profit on ordinary activities	2015 £000	2014 £000
	Current tax		
	U.K. corporation tax	226	223
	Total current tax	<u>226</u>	<u>223</u>
	Deferred tax		
	Origination and reversal of timing differences	43	(89)
	Total deferred tax	<u>43</u>	<u>(89)</u>
	Total tax on profit on ordinary activities	<u>269</u>	<u>134</u>
	Factors affecting the tax charge for the year		
	The tax assessed for the year is higher than the standard rate of corporation tax of 20.00% (2014 - 21.00%). The differences are explained below:		
	Profit on ordinary activities before taxation	802	639
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2014 - 21%)	160	134
	Effects of:		
	Expenses not deductible for tax purposes	39	22
	Difference between capital allowances and depreciation	(19)	26
	Tax charged at different rates	10	17
	Losses carried forward	-	12
	Prior year losses relieved	27	-
	Other tax adjustments	9	12
		<u>66</u>	<u>89</u>
	Current tax charge for the year	<u>226</u>	<u>223</u>

There are no known factors that may affect the future tax charge.

8	Profit attributable to members of the parent company	2015 £000	2014 £000
	Dealt with in the financial statements of the parent company	54	54

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

9 Dividends	2015	2014
	£000	£000
Interim dividends paid on ordinary shares	272	-
	<u>272</u>	<u>-</u>

10 Intangible fixed assets **Group**

	Other intangibles
	£000
Cost or valuation	
At 1 May 2014 & at 30 April 2015	25
	<u>25</u>
Amortisation	
At 1 May 2014	13
Charge for the year	2
	<u>15</u>
At 30 April 2015	15
	<u>15</u>
Net book value	
At 30 April 2015	10
	<u>10</u>
At 30 April 2014	12
	<u>12</u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

11 Goodwill Group

	Goodwill	Negative goodwill	Total
	£000	£000	£000
Cost or valuation			
At 1 May 2014	2,603	(404)	2,199
Additions	263	-	263
At 30 April 2015	<u>2,866</u>	<u>(404)</u>	<u>2,462</u>
Amortisation			
At 1 May 2014	1,201	(404)	797
Charge for the year	53	-	53
At 30 April 2015	<u>1,254</u>	<u>(404)</u>	<u>850</u>
Net book value			
At 30 April 2015	<u>1,612</u>	<u>-</u>	<u>1,612</u>
At 30 April 2014	<u>1,402</u>	<u>-</u>	<u>1,402</u>

12 Tangible fixed assets

Group

	Freehold buildings	Short leasehold land and buildings	Plant, vehicles and equipment	Total
	£000	£000	£000	£000
Cost				
At 1 May 2014	5,450	497	16,459	22,406
Additions	3,818	36	3,381	7,235
Disposals	-	-	(11)	(11)
At 30 April 2015	<u>9,268</u>	<u>533</u>	<u>19,829</u>	<u>29,630</u>
Depreciation				
At 1 May 2014	54	248	10,850	11,152
On disposals	-	-	(7)	(7)
Charge for the year	40	40	912	992
At 30 April 2015	<u>94</u>	<u>288</u>	<u>11,755</u>	<u>12,137</u>
Net book value				
At 30 April 2015	<u>9,174</u>	<u>245</u>	<u>8,074</u>	<u>17,493</u>
At 30 April 2014	<u>5,396</u>	<u>249</u>	<u>5,609</u>	<u>11,254</u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

12 Tangible fixed assets (Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant, vehicles and equipment
	£000
Net book values	
At 30 April 2015	1,198
At 30 April 2014	848
Depreciation charge for the year	
At 30 April 2015	133
At 30 April 2014	148

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

13 Fixed asset investments Company

	Shares in group undertakings £000
Cost	
At 1 May 2014 & at 30 April 2015	6,163
Net book value	
At 30 April 2015	6,163
At 30 April 2014	6,163

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Sebden Steel Limited	England and Wales	Ordinary	100.00
Sebden Steel Service Centres Limited*	England and Wales	Ordinary	100.00
Albion Sections Limited *	England and Wales	Ordinary	100.00
Structural Systems Limited **	England and Wales	Ordinary	100.00
Cobco (939) Limited	England and Wales	Ordinary	100.00
Cobco (236) Limited ***	England and Wales	Ordinary	100.00
Bytecomm Limited ****	England and Wales	Ordinary	100.00

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Sebden Steel Limited	Dormant holding company
Sebden Steel Service Centres Limited*	Steel service centres and processor
Albion Sections Limited *	Manufacturer of cold rolled sections for the construction and engineering industries
Structural Systems Limited **	Design fabrication and installation of steelwork
Cobco (939) Limited	Dormant holding company
Cobco (236) Limited ***	Property investment
Bytecomm Limited ****	Dormant

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

13 Fixed asset investments (Continued)

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.

14 Stocks

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Raw materials and consumables	411	401	-	-
Work in progress	35	46	-	-
Finished goods and goods for resale	17,169	10,547	-	-
	<u>17,615</u>	<u>10,994</u>	<u>-</u>	<u>-</u>

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

15 Debtors

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Trade debtors	31,740	24,037	-	-
Amounts owed by group undertakings	-	-	3,354	3,325
Other debtors	188	327	188	321
Prepayments and accrued income	775	767	166	565
	<u>32,703</u>	<u>25,131</u>	<u>3,708</u>	<u>4,211</u>

16 Current asset investments

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Land held for resale	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

17 Creditors : amounts falling due within one year

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Net obligations under finance lease and hire purchase contracts	828	133	-	-
Trade creditors	29,135	20,338	-	-
Amounts owed to group undertakings	-	-	7,280	7,527
Corporation tax	182	207	3	-
Other taxation and social security costs	1,360	1,074	27	24
Other creditors	16,531	9,750	5	6
Accruals and deferred income	4,374	5,130	-	4
	<u>52,410</u>	<u>36,632</u>	<u>7,315</u>	<u>7,561</u>

Included in group other creditors is £16,452,000 (2014: £9,657,000) which is secured on the book debts of the group.

Obligations under finance leases are secured upon the assets concerned.

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

18 Creditors : amounts falling due after more than one year

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Other loans	1,308	-	-	-
Net obligations under finance leases and hire purchase agreements	2,421	-	-	-
	<u>3,729</u>	<u>-</u>	<u>-</u>	<u>-</u>
Analysis of loans				
Wholly repayable within five years	1,308	-	-	-
	<u>1,308</u>	<u>-</u>	<u>-</u>	<u>-</u>

The long term bank loan is secured by one of the freehold premises held by the company.

Net obligations under finance leases and hire purchase contracts

Amounts payable:

Within one year	828	133	-	-
Within two to five years	2,421	-	-	-
	<u>3,249</u>	<u>133</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(828)	(133)	-	-
	<u>2,421</u>	<u>-</u>	<u>-</u>	<u>-</u>

19 Provisions for liabilities Group

	Deferred taxation £000
Balance at 1 May 2014	794
Profit and loss account	43
Deferred tax on acquisition	263
	<u>1,100</u>
Balance at 30 April 2015	<u>1,100</u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

19 Provisions for liabilities (Continued)

The deferred tax liability is made up as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Accelerated capital allowances	1,100	794	-	-

20 Acquisitions and disposals

On 2 May 2014 the group acquired the trade and assets of Brand Newco 453 Limited (formerly Eterniti Steels Limited) for consideration of £9,680,000.

The net assets on the date of the acquisition were as follows:

	Book value	Fair value	Fair value
	£000	adjustment	£000
	£000	£000	£000
Fixed assets	2,700	-	2,700
Debtors	7,669	-	7,669
Stock	4,914	-	4,914
Other creditors	(5,441)	-	(5,441)
Net obligations under hire purchase contracts	(162)	-	(162)
Deferred tax	(263)	-	(263)
Net assets	9,417	-	9,417
Goodwill acquired			263
Satisfied by:			
Intercompany loan account			9,680

It is not practicable to give an indication of the contribution to turnover and operating profit from this acquisition as it has been fully integrated into trading of the existing businesses.

21 Share capital	2015	2014
	£000	£000
Allotted, called up and fully paid		
2,253,327 Ordinary shares of 1p each	23	23
83,000 Ordinary 'B' shares of 1p each	1	1
158,000 Ordinary 'C' shares of 1p each	1	1
	<u>25</u>	<u>25</u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

22 Reserves Group

	Share premium account £000	Other reserves (see below) £000	Profit and loss account £000
Balance at 1 May 2014	2,386	21	9,772
Profit for the year	-	-	533
Dividends paid	-	-	(272)
Balance at 30 April 2015	<u>2,386</u>	<u>21</u>	<u>10,033</u>

Other reserves

Capital redemption reserve

Balance at 1 May 2014 & at 30 April 2015

21

Company

	Share premium account £000	Other reserves (see below) £000	Profit and loss account £000
Balance at 1 May 2014	2,386	21	435
Profit for the year	-	-	54
Dividends paid	-	-	(272)
Balance at 30 April 2015	<u>2,386</u>	<u>21</u>	<u>217</u>

Other reserves

Capital redemption reserve

Balance at 1 May 2014 & at 30 April 2015

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THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

23 Reconciliation of movements in shareholders' funds	2015	2014
Group	£000	£000
Profit for the financial year	533	505
Dividends	(272)	-
	<u>261</u>	<u>505</u>
Proceeds from issue of shares	-	50
	<u>261</u>	<u>555</u>
Net addition to shareholders' funds	261	555
Opening shareholders' funds	12,204	11,649
	<u>12,465</u>	<u>12,204</u>
	<u><u>12,465</u></u>	<u><u>12,204</u></u>
	2015	2014
	£000	£000
Company		
Profit for the financial year	54	54
Dividends	(272)	-
	<u>(218)</u>	<u>54</u>
Proceeds from issue of shares	-	50
	<u>(218)</u>	<u>104</u>
Net (depletion in)/addition to shareholders' funds	(218)	104
Opening shareholders' funds	2,867	2,763
	<u>2,649</u>	<u>2,867</u>
	<u><u>2,649</u></u>	<u><u>2,867</u></u>
24 Notes to the cash flow statement		
Reconciliation of operating profit to net cash inflow from operating activities	2015	2014
	£000	£000
Operating profit	1,238	943
Depreciation of tangible assets	992	707
Amortisation of intangible assets	55	80
Loss on disposal of tangible assets	(2)	59
(Increase)/decrease in stocks	(1,707)	2,196
Decrease/(increase) in debtors	97	(5,855)
(Decrease)/increase in creditors	(13)	3,150
	<u>660</u>	<u>1,280</u>
Net cash inflow from operating activities	<u><u>660</u></u>	<u><u>1,280</u></u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

24 Notes to the cash flow statement (Continued)

Analysis of cash flows for headings netted in the cash flow statement

	2015 £000	2014 £000
Returns on investments and servicing of finance		
Interest paid	(386)	(304)
Interest element of finance lease payments	(50)	-
	<u> </u>	<u> </u>
Net cash outflow for returns on investments and servicing of finance	<u>(436)</u>	<u>(304)</u>
Capital expenditure and financial investment		
Purchase of tangible assets	(1,286)	(244)
Purchase of land held for resale	(100)	-
Receipts from sale of tangible assets	6	29
	<u> </u>	<u> </u>
Net cash outflow from capital expenditure & financial investment	<u>(1,380)</u>	<u>(215)</u>
Financing		
Issue of ordinary share capital	-	50
New long term loans	1,350	-
Repayments of long term loans	(42)	-
Capital element of hire purchase contract payments	(295)	(311)
	<u> </u>	<u> </u>
Net cash inflow/(outflow) from financing	<u>1,013</u>	<u>(261)</u>

Analysis of net (debt)/funds

	1 May 2014	Cash flow	Other non- cash changes	30 April 2015
	£000	£000	£000	£000
Net cash:				
Cash at bank and in hand	837	(666)	-	171
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Debt:				
Finance leases	(133)	295	(3,411)	(3,249)
Debts falling due after one year	-	(1,308)	-	(1,308)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	(133)	(1,175)	(3,249)	(4,557)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net funds/(debt)	<u>704</u>	<u>(1,841)</u>	<u>(3,249)</u>	<u>(4,386)</u>

THE SEBDEN GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

25 Commitments under operating leases

At 30 April 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £000	2014 £000	2015 £000	2014 £000
Expiry date:				
Within one year	-	-	1	18
Between two and five years	-	450	147	106
In over five years	511	94	-	-
	<u>511</u>	<u>544</u>	<u>148</u>	<u>124</u>

26 Retirement Benefits

	2015 £000	2014 £000
Contributions payable by the group for the year	<u>308</u>	<u>250</u>

27 Related party relationships and transactions

Group

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

28 Control

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