Moore & Wright Limited

Report and Financial Statements

For the Year Ended

30 September 2016

Company Number
3465984



Moore & Wright Limited

Report and Financial Statements
for the year ended 30 September 2016

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Director
A Shone

Secretary and registered office
J M Dallman

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S4 7QQ

Company number
3465984

Auditor
BDO LLP
Central Square
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Leeds
LS1 4DL

Moore & Wright Limited

Balance Sheet
at 30 September 2016

Company number 3465984	Note	2016 £'000	2016 £'000	2015 £'000	2015 £'000
Current assets					
Stocks	5	**545**		497	
Debtors	6	**1,690**		1,721	
		2,235		2,218	
Creditors: amounts falling due within one year	8	**(2,086)**		(2,098)	
Net current assets		**149**		120	
Total assets less current liabilities			**149**		120
Total net assets			**149**		120
Capital and reserves					
Called up share capital (£2)	9		**-**		-
Profit and loss account			**149**		120
Shareholders' funds			**149**		120

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The company has elected not to present an Income Statement and Directors' Report under the provisions of The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015.

The financial statements were approved by the Board of Directors and authorised for issue on 22 June 2017.

They were signed on its behalf by:

A Shone
Director

The notes on pages 2 to 7 form part of these financial statements.

1 Statutory information

Moore & Wright Limited is a private company, limited by shares, domiciled in England and Wales, registration number 3465984. The registered office is Atlas Way, Atlas North, Sheffield, S4 7QQ.

2 Accounting policies

The financial statements have been prepared in accordance with FRS 102 Section 1A Small Entities. There were no material departures from that standard.

Information on the impact of first-time adoption of section 1A *Small Entities* in FRS 102 is given in note 12. The date of transition was 1 October 2014.

Basis of measurement

The financial statements have been prepared on a historical cost basis.

The preparation of financial statements in compliance with FRS 102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The following principal accounting policies have been applied:

Turnover

Turnover from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the group will receive the previously agreed upon payment. These criteria are considered to be met when the goods are delivered to the buyer. Where the buyer has a right of return, the company defers recognition of turnover until the right of return has lapsed.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs of disposal.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

2 Accounting policies *(continued)*

Current and deferred taxation (continued)

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date

Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Investments in unlisted company shares (financial asset) are carried in the statement of financial position at fair value with changes in fair value recognised in profit or loss if their fair value can be measured reliably. Otherwise they are carried as cost less impairment.

Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less subject to insignificant risk of changes in value.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at the annual general meeting.

Exceptional items

Exceptional items are items which derive from events or transactions that fall within the ordinary activities of the business and which need to be disclosed by virtue of their size or incidence if the financial statements are to give a true and fair view.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

4 Operating profit

	2016 £'000	2015 £'000
Operating profit is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's annual accounts	**4**	4

5 Stocks

	2016 £'000	2015 £'000
Raw materials	**30**	40
Work in progress	**17**	21
Finished goods and goods for resale	**498**	436
	545	497

There is no material difference between the replacement cost of stocks and the amounts stated above.

6 Debtors

	2016 £'000	2015 £'000
Amounts due from fellow subsidiary undertakings	**1,688**	1,719
Deferred tax (note 7)	**2**	2
	1,690	1,721

Deferred tax of £nil (2015 - £nil) is not due for payment within one year.

7 Deferred tax

The movement in the deferred tax asset during the year was:

	£'000
At 1 October 2015	2
Charge to profit and loss account	-
At 30 September 2016	**2**

The deferred tax asset consists of the tax effect of timing differences of £2,000 (2015 - £2,000).

8 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Amounts due to group undertakings	**2,069**	2,081
Amounts due to parent undertakings	**17**	17
	2,086	2,098

There are no amounts included under 'creditors' which are payable or repayable other than by instalments and fall due for payment or repayment after the end of the period of five years beginning with the day next following reporting date.

There are no amounts included under 'creditors' in respect of which any security has been given by the small entity.

9 Share capital

	Authorised, allotted, called up and fully paid			
	2016 Number	2015 Number	2016 £'000	2015 £'000
Authorised ordinary shares of £1 each	**1,000**	1,000	**1**	1
Allotted, called up and fully paid ordinary shares of £1 each	**2**	2	**-**	-

10 Ultimate parent undertaking

The company is a wholly owned subsidiary undertaking of Bowers Group Limited. The entire issued share capital of Bowers Group Limited is held by Spear & Jackson Group Limited, a company registered in the United Kingdom. The entire issued share capital of Spear & Jackson Group Limited is held by Pantene Global Holdings Limited, a company registered in Hong Kong.

Pantene Global Holdings Limited is a wholly owned subsidiary of Kings Victory Limited, a company incorporated in the British Virgin Islands with limited liability. Kings Victory Limited is a wholly owned subsidiary of SNH Global Holdings Limited, a privately-owned company incorporated in the British Virgin Islands with limited liability.

11 Related party transactions

The smallest group in which the results of the company are consolidated is that headed by Spear & Jackson Group Limited. The address of Spear & Jackson Group Limited's registered office is Atlas Way, Atlas North, Sheffield, S4 7QQ.

The company has taken advantage of the exemption under Schedule 1 of the Small Companies Regulations not to disclose transactions with other wholly owned subsidiaries of the group headed by Spear & Jackson Group Limited.

The directors did not receive any dividends during 2016 (2015 - £nil).

The total remuneration paid to directors for services to the company was £nil (2015 - £nil).

12 First time adoption of FRS 102

	Note	Equity as at 1 October 2014 £'000	Profit for year ended 30 September 2015 £'000	Equity as at 30 September 2015 £'000
As previously stated under UK GAAP		59	61	120
As stated in accordance with FRS 102		59	61	120

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit. The only impact identified has been to change the presentation of the primary statements and the disclosure notes to the financial statements.

13 Contingent liabilities

Pledge of assets
At the reporting date, the banking facilities of the UK subsidiaries of Spear & Jackson Group Limited (the "UK Group") with the HSBC Bank plc comprise asset-backed lending facilities (confidential invoice discounting and inventory borrowing line) and a Base Rate term loan.

The asset-backed lending facilities are secured on certain trade receivables and inventories in the UK trading operations of the UK Group.

The amount drawn down on the Base Rate term loan, which was set-up following the repayment of the previous term loan in September 2015, at 30 September 2016 was £760,000 (2015 - £950,000). It is secured by fixed and floating charges on the assets and undertakings of the UK Group and its trading subsidiaries, by a first fixed charge on the Group's freehold properties in the United Kingdom and certain cross-guarantees from UK and non-UK subsidiaries of the Spear & Jackson Group Limited group of companies.

Additionally, the UK Group's net cash balances with the HSBC form a pooled fund. As part of this arrangement, the company has entered into a cross guarantee to guarantee any bank borrowings within that pooled fund. At 30 September 2016, the extent of this guarantee was £31,870,000 (2015 - £32,970,000). The net pooled cash position at 30 September 2016 was £237,000 (2015 - £971,000).

Other
The Company is, from time to time, subject to legal proceedings and claims arising from the conduct of its business operations, including litigation related to personal injury claims, customer contract matters, employment claims and environmental matters.

While it is impossible to ascertain the ultimate legal and financial liability with respect to contingent liabilities, including lawsuits, the directors of the Company believe that the aggregate amount of such liabilities, if any, in excess of amounts accrued, will not have a material adverse effect on the financial position or results of operations of the Company.

14 Audit report

An unqualified report of the auditor on the financial statements has been approved by Paul Davies, Senior Statutory Auditor for and on behalf of BDO LLP.