

Bridgnorth Aluminium Limited

Annual report and financial
statements

Registered number 4155640

For the year ended 31 December 2014

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Strategic report

In 2014 the company consolidated the growth it had achieved in the previous year, and concentrated on optimising profitability. Demand conditions for the company were generally stable, although were adversely affected by the factory closure of two of its customers which consequently affected sales volumes and turnover by around 2%. At the same time, the company completed the installation of its multi-slitting line and started small volumes of sales to new customers in the automotive and electrical sectors.

During the year, the company finalised the construction of additional casting capacity, and brought the facility into full operation. Early in the year the company commenced a major capital investment programme which includes the installation of an additional cold rolling mill and a new finishing line for lithographic material, intended to be finalised at the end of 2015.

In view of the investment programme, the company completed a re-financing programme which supports the company's strategic capital investments and its planned growth in working capital.

As a result of the increased casting capacity and in order to manage the capital investment projects, the company created 31 new jobs.

The company's key financial performance indicators during the year were as follows:

	2014 £000	2013 £000	% Change
Turnover	175,499	179,739	-2%
Gross profit	19,642	19,096	+3%
Operating profit	13,198	11,777	+12%
Profit after tax	9,675	8,964	+8%
EBITDA	17,006	15,620	+9%
Shareholders' funds	80,935	71,260	+14%
Net debt/EBITDA	0.70	0.04	+1650%

Turnover decreased by 2% as a result of lower sales volumes. The gross profit margin increased from 10.6% to 11.2%. The operating profit margin also increased from 6.6% to 7.5%.

The company continued to closely monitor and control working capital (inventory, trade debtors and trade creditors) during 2014, however, working capital as a percentage of sales increased from 23.2% to 31.5% as a result of higher inventory and debtors and lower creditors.

The level of shareholders' funds increased by 14% during the year, due to the increase in retained earnings.

Principal risks and uncertainties

Metal price risks

The company sells finished products and buys aluminium raw materials priced on the London Metal Exchange ("LME"). The company has, together with its parent, developed hedging procedures designed to manage the risk of metal price volatility on the LME.

Foreign exchange risks

The company has a high percentage of sales and purchases in currencies other than GBP. The company has a policy of forward selling or purchasing the known net currency exposures for sales and purchase contracts, so as to protect the business from margin erosion after contract commitments have been agreed.

Strategic report *(continued)*

Principal risks and uncertainties *(continued)*

Interest rate risks

Interest rate swaps are used by the company to adjust interest rate exposures in order to guarantee fixed interest payments where payments are variable, hence reducing exposure to interest rate movements.

Credit risk

The company has a credit review mechanism which allows deferred payment terms to certain customers with good historic payment records. In addition, the company seeks to further minimise credit risk by taking out credit insurance policies covering credit risks with customers.

Price risk

The company's exposure to the risk of the two elements of its selling price, metal and conversion, are managed by the use of LME futures for the metal price and forward sales contracts for the conversion price.

Liquidity risk

Long term debt and overdraft facilities are used by the company to manage liquidity risk. The company also aims to reduce liquidity risk by managing working capital, investments and operations within strict target levels.

Cash flow risk

The company manages cash flow risk, where significant, by the use of derivatives as explained above.

Future developments

The outlook for 2015 continues to be positive. The company anticipates a good level of demand for its products, and in addition plans to progress its capital investment programme during 2015 for increased sales capacity in 2016.

By order of the board



M Richards
Secretary

Stourbridge Road
Bridgnorth
Shropshire
WV15 6AU

10th March 2015

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2014.

Principal activities

The company is a 75% owned subsidiary of Elval Hellenic Aluminium Industry SA, a company registered in Greece. The company is also 25% owned by UACJ Corporation, a company registered in Japan.

The company continues to manufacture aluminium coils for the lithographic printing industry, as well as other aluminium flat rolled products, including foilstock coils for the foil rolling industry.

Going concern

The directors consider that the company has adequate resources to continue in operation for the foreseeable future. In forming this view, the directors have reviewed budgets and other financial information. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Creditor payment policy and practice

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with. At 31 December 2014, the company had an average of 12 days (*2013: 15 days*) purchases outstanding in trade creditors.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

During the year, the policy of providing employees with information about the company has continued, employees are encouraged to present their suggestions and views on the company's performance. Regular meetings are held between management and employees to allow free flow of information and ideas.

Results

The profit and loss account is set out on page 8 and shows a profit for the financial year of £9,675,000 (*2013: £8,964,000*).

Dividends

A dividend of £Nil was paid during the year (*2013: £1,300,000*). The directors do not recommend the payment of a final dividend (*2013: £Nil*).

Directors' report *(continued)*

Directors

The directors who held office during the year and subsequently were as follows:

D Peden	(Chairman)
C Catsaros	
J Attas	
S MacVicker	
Y Angelis	
L Varouchas	
Y Watanabe	(resigned 12 June 2014)
T Nakano	
T Kawashima	(appointed 12 June 2014)

Charitable contributions

The company made charitable donations of £10,950 during the year (2013: £7,132).

Directors' liabilities

The company has granted an indemnity to one or more directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



M Richards
Secretary

Stourbridge Road
Bridgnorth
Shropshire
WV15 6AU

10th March 2015

Statement of directors' responsibilities in respect of the Strategic report, Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Bridgnorth Aluminium Limited

We have audited the financial statements of Bridgnorth Aluminium Limited for the year ended 31 December 2014 set out on pages 8 to 21. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 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 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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

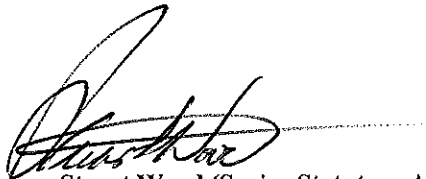
In our opinion the information given in the Directors' Report and the Strategic review for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Bridgnorth Aluminium Limited *(continued)*

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.



Stuart Wood (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

17/3/15

Profit and loss account
for the year ended 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Turnover	2	175,499	179,739
Cost of sales		(155,857)	(160,643)
		<hr/>	<hr/>
Gross profit		19,642	19,096
Distribution costs		(3,744)	(4,734)
Administrative expenses		(2,511)	(2,350)
Other operating expenses		(189)	(235)
		<hr/>	<hr/>
Operating profit	3	13,198	11,777
Interest receivable and similar income	6	20	65
Interest payable and similar charges	7	(639)	(392)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		12,579	11,450
Tax on profit on ordinary activities	8	(2,904)	(2,486)
		<hr/>	<hr/>
Profit for the financial year	17	9,675	8,964
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing activities.

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £9,675,000 in the year ended 31 December 2014 (2013: £8,964,000).

The notes on pages 11 to 21 form part of these financial statements.

Balance sheet
at 31 December 2014

	<i>Note</i>	2014 £000	£000	2013 £000	£000
Fixed assets					
Tangible assets	9		43,110		31,238
Current assets					
Stocks	10	36,935		28,985	
Debtors	11	25,401		23,321	
Cash at bank and in hand		5,176		7,480	
		<u>67,152</u>		<u>59,786</u>	
Creditors: amounts falling due within one year	12	(10,272)		(11,747)	
Net current assets			56,880		48,039
Total assets less current liabilities			99,990		79,277
Creditors: amounts falling due after more than one year	13		(17,000)		(6,945)
Provisions for liabilities	14		(2,055)		(1,072)
Net assets			80,935		71,260
Capital and reserves					
Called up share capital	16		29,333		29,333
Share premium account	17		6,667		6,667
Profit and loss account	17		44,935		35,260
Equity shareholders' funds	18		80,935		71,260

These financial statements were approved by the board of directors on 10th March 2015 and were signed on its behalf by:



Derek Peden
Director

Company registered number: 04155640

Cash flow statement
for the year ended 31 December 2014

	<i>Note</i>	2014 £000	£000	2013 £000	£000
Net cash inflow from operating activities	<i>19</i>		7,403		17,113
Returns on investments and servicing of finance					
Interest received		20		65	
Interest paid and similar charges		(639)		(392)	
		<hr/>		<hr/>	
Net cash outflow from returns on investments and servicing of finance			(619)		(327)
Taxation					
Corporation tax paid			(2,352)		(2,214)
Capital expenditure					
Payments to acquire tangible fixed assets			(15,680)		(18,458)
Proceeds on disposal of tangible fixed assets			-		2
			<hr/>		<hr/>
Net cash outflow before financing			(11,248)		(3,884)
Financing					
Repayment of loans	<i>19</i>	8,944		(1,111)	
Dividends paid	<i>19</i>	-		(1,300)	
		<hr/>		<hr/>	
			8,944		(2,411)
Decrease in cash in the year	<i>19</i>		<hr/> (2,304) <hr/>		<hr/> (6,295) <hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

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

Going concern

The directors consider that the company has adequate resources to continue in operation for the foreseeable future. In forming this view, the directors have reviewed budgets and other financial information. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Research and development

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less the estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows:

Buildings	- between 5 and 30 years
Plant and machinery	- between 3 and 10 years
Motor vehicles	- between 2 and 5 years

No depreciation is provided on freehold land and assets in course of construction.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on despatch of the goods.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value as follows:

Raw materials, consumables and goods for resale	- purchase cost on an average cost basis
Work in progress and finished goods	- cost of direct materials and labour plus attributable overheads based on a normal level of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Notes *(continued)*

1 Accounting policies *(continued)*

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or, if appropriate, at the forward contract rate. All differences are taken to the profit and loss account.

Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

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

2 Turnover

Turnover is the total amount charged, exclusive of VAT, in respect of goods and services supplied by the company. All turnover arises in the UK and is attributable to the company's continuing activity, the manufacture of rolled aluminium products.

An analysis of turnover by geographical market is given below:

	2014 £000	2013 £000
United Kingdom	12,483	17,635
Continental Europe	130,710	117,656
Americas	23,791	33,511
Asia, Middle East and Africa	8,515	10,937
	<hr/> 175,499 <hr/>	<hr/> 179,739 <hr/>

Notes *(continued)*

3 Notes to the profit and loss account

	2014	2013
	£000	£000
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Depreciation and other amounts written off tangible fixed assets	3,808	3,843
Profit on disposal of fixed assets	-	(2)
Operating lease rentals:		
Other operating leases	52	41
Research and development	1,065	888
	<u> </u>	<u> </u>
<i>Auditors' remuneration</i>		
Audit of these financial statements	30	28
Taxation services	-	-
	<u> </u>	<u> </u>

4 Remuneration of directors

	2014	2013
	£000	£000
Directors' emoluments	305	293
	<u> </u>	<u> </u>
Company contributions to defined contribution personal pension plans	8	8
	<u> </u>	<u> </u>
In respect of the highest paid director		
Emoluments	198	190
	<u> </u>	<u> </u>
Company contributions to defined contribution personal pension plans	8	8
	<u> </u>	<u> </u>

Notes *(continued)*

5 Staff numbers and costs

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

	Number of employees	
	2014	2013
Production	266	243
Sales	4	3
Administration	24	17
	294	263
	294	263

The aggregate payroll costs of these persons were as follows:

	£000	£000
Wages and salaries	10,469	9,706
Social security costs	1,154	1,038
Other pension costs	369	300
	11,992	11,044
	11,992	11,044

6 Interest receivable and similar income

	2014	2013
	£000	£000
Bank interest receivable	20	65
	20	65
	20	65

7 Interest payable and similar charges

	2014	2013
	£000	£000
Bank interest payable	639	392
	639	392
	639	392

Notes (continued)

8 Taxation

Analysis of charge in year

	2014 £000	£000	2013 £000	£000
<i>UK corporation tax</i>				
Current tax on income for the year	1,921		2,191	
	<hr/>		<hr/>	
		1,921		2,191
<i>Deferred tax (see note 15)</i>				
Origination/reversal of timing differences	983		295	
	<hr/>		<hr/>	
Total deferred tax		983		295
		<hr/>		<hr/>
Tax on profit on ordinary activities		2,904		2,486
		<hr/> <hr/>		<hr/> <hr/>

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 21.50% (2013: 23.25%). The differences are explained below.

	2014 £000	2013 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	12,579	11,450
	<hr/>	<hr/>
Current tax at 21.50% (2013: 23.25%)	2,704	2,662
<i>Effects of:</i>		
Expenses not deductible for tax purposes	8	7
Other permanent differences	(229)	(271)
Accelerated capital allowances	(596)	(198)
Other timing differences	34	(9)
	<hr/>	<hr/>
Total current tax charge (see above)	1,921	2,191
	<hr/> <hr/>	<hr/> <hr/>

Factors that may affect future current and total tax charges

Reductions in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) and was substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2014 has been calculated based on the rates of 20% substantively enacted at the balance sheet date.

Notes (continued)

9 Tangible fixed assets

	Land and buildings	Plant and machinery	Motor vehicles	Assets in course of construction	Total
	£000	£000	£000	£000	£000
<i>Cost</i>					
At beginning of year	9,412	64,342	1,612	19,292	94,658
Additions	3,404	16,189	-	(3,913)	15,680
At end of year	12,816	80,531	1,612	15,379	110,338
<i>Depreciation</i>					
At beginning of year	2,544	59,462	1,414	-	63,420
Charge for year	407	3,336	66	-	3,809
At end of year	2,951	62,798	1,480	-	67,229
<i>Net book value</i>					
At 31 December 2014	9,865	17,733	132	15,379	43,109
At 31 December 2013	6,868	4,880	198	19,292	31,238

Included within land and buildings is £2,013,746 (2013: £2,013,746) of freehold land which is not depreciated. The remaining net book value is in respect of buildings constructed on the company's freehold premises.

10 Stocks

	2014 £000	2013 £000
Raw materials	21,740	13,943
Work in progress	7,036	6,556
Finished goods	8,159	8,486
	36,935	28,985

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Notes (continued)

11 Debtors

	2014 £000	2013 £000
Trade debtors	23,568	19,594
VAT recoverable	732	2,698
Prepayments and accrued income	1,101	1,029
	<u>25,401</u>	<u>23,321</u>

12 Creditors: amounts falling due within one year

	2014 £000	2013 £000
Current instalments due on bank loans (note 13)	-	1,111
Trade creditors	5,103	6,740
Amounts owed to group undertakings	72	65
Corporation tax	748	1,179
Other taxation and social security	405	360
Accruals and deferred income	3,944	2,292
	<u>10,272</u>	<u>11,747</u>

There were outstanding pension contributions to the company's defined contribution pension scheme of £Nil (2013: £Nil) included within creditors at the balance sheet date.

13 Creditors: amounts falling due after more than one year

	2014 £000	2013 £000
Bank loans (see below)	17,000	6,945
	<u>17,000</u>	<u>6,945</u>

This comprises the following:

Amounts falling due:		
In one year or less on demand	-	1,111
In more than one year but not more than two years	3,000	1,111
In more than two years but not more than five years	14,000	5,834
	<u>17,000</u>	<u>8,056</u>
Less: included in creditors: amounts falling due within one year	-	(1,111)
	<u>17,000</u>	<u>6,945</u>

Notes *(continued)*

13 Creditors: amounts falling due after more than one year *(continued)*

The company's credit facilities consist of a £17,000,000 term loan facility and £2,000,000 overdraft facility with Lloyds Bank Plc and a £45,000,000 asset based lending facility with Lloyds Bank Commercial Finance Ltd. Interest payable on the facilities is based on LIBOR, or the bank's base rate, plus a range of margins. The LIBOR interest rate on part of the term loan has been fixed at 2.95% plus a margin until June 2016. All of the assets of the company have been pledged as security for the facilities under mortgage debentures.

14 Provisions for liabilities

	Deferred taxation £000	Environmental provision £000	Total £000
At beginning of year	72	1,000	1,072
Provided during year	983	-	983
At end of year	1,055	1,000	2,055

The environmental provision of £1 million relates to the ongoing monitoring and clean up costs of complying with the requirements agreed with the Environment Agency for the land in Bridgnorth. The provision is expected to be utilised over a period of 10 years.

15 Deferred tax

The deferred tax included in the balance sheet is as follows:

	2014 £000	2013 £000
Deferred tax (liability)/asset	(1,055)	(72)
This is made up as follows:		
Accelerated capital allowances	(1,055)	(72)

The movement on the deferred tax liability is explained as follows:

	£000
At beginning of year	(72)
Profit and loss account movement arising during the year (note 8)	(983)
At end of year	(1,055)

There is no unrecognised deferred tax at 31 December 2014 (2013: £Nil).

Notes *(continued)*

16 Called up share capital

	2014 £000	2013 £000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	29,333	29,333
	<u> </u>	<u> </u>

17 Share premium and reserves

	Share premium account £000	Profit and loss account £000
At beginning of year	6,667	35,260
Profit for the financial year	-	9,675
	<u> </u>	<u> </u>
At end of year	6,667	44,935
	<u> </u>	<u> </u>

18 Reconciliation of movement in equity shareholders' funds

	2014 £000	2013 £000
Profit for the year	9,675	8,964
Opening shareholders' funds	71,260	63,596
Dividends	-	(1,300)
	<u> </u>	<u> </u>
Closing shareholders' funds	80,935	71,260
	<u> </u>	<u> </u>

19 Analysis of cash flows

Reconciliation of operating profit to net cash inflow from operating activities

	2014 £000	2013 £000
Operating profit	13,198	11,777
Depreciation of fixed assets	3,808	3,843
(Increase)/decrease in stocks	(7,950)	5,290
Increase in debtors	(1,720)	(284)
Increase/(decrease) in creditors	67	(3,511)
Profit on disposal of tangible fixed assets	-	(2)
	<u> </u>	<u> </u>
Net cash inflow from continuing operating activities	7,403	17,113
	<u> </u>	<u> </u>

Notes (continued)

19 Analysis of cash flows (continued)

Analysis of net debt

	At beginning of year £000	Cash flow £000	At end of year £000
Cash at bank and in hand	7,480	(2,304)	5,176
Loans	(8,056)	(8,944)	(17,000)
	<u>(576)</u>	<u>(11,248)</u>	<u>(11,824)</u>

20 Commitments

At 31 December 2014, the company had annual commitments under non-cancellable operating leases as follows:

	Other 2014 £000	2013 £000
Operating leases which expire:		
Within one year	41	10
in one to two years	32	24
In two to five years	34	15
	<u>107</u>	<u>49</u>

Amounts contracted for but not provided in the financial statements amounted to £18,046,612 (2013: £3,779,627).

Financial commitments

At 31 December 2014, the company had entered into commitments to sell foreign currencies in future months amounting to £59,647,804 (2013: £67,826,718). The fair value of the foreign currency forward contracts held at the balance sheet date, determined by reference to their market value, is £2,387,869 (2013: £626,719). Also at 31 December 2014 the company had entered into commitments to [sell] aluminium on the London Metal Exchange (LME) in future months amounting to £7,541,348 (2013: commitment to sell £6,381,689). The fair value of the LME forward contracts held at the balance sheet date, determined by reference to their market value, is £1,029,703 (2013: £335,910).

Notes (continued)

21 Related party disclosures

During the year, the company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 December 2014, are as follows:

	2014 £000	2013 £000
<i>Sales to related party</i>		
Elval Hellenic Aluminium Industry SA	210	160
Metal Agencies Limited	133	-
<i>Purchases from related party</i>		
Elval Hellenic Aluminium Industry SA	64	80
Hellenic Cables SA	-	3
Metal Agencies Limited	23	18
Viexal Limited	8	10
Teka Systems SA	37	29
Elkeme SA	31	102
United Aluminum Company of Japan	73	50
<i>Amounts owed by related party</i>		
Elval Hellenic Aluminium Industry SA	1	1
<i>Amounts owed to related party</i>		
Elval Hellenic Aluminium Industry SA	64	51
Metal Agencies Limited	4	5
Viexal Limited	-	-
Teka Systems SA	-	-
Elkeme SA	3	9
United Aluminum Company of Japan	-	-

Elval Hellenic Aluminium Industry SA owns 75% of the ordinary shares in the company. Metal Agencies Limited, Hellenic Cables SA, Viexal Limited, Teka Systems SA and Elkeme SA are all part of the Viohalco SA/NV Group, the company's ultimate parent undertaking. United Aluminum Company of Japan owns 25% of the ordinary shares of the company.

22 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Elval Hellenic Aluminium Industry SA, a Greek corporation listed on the Greek Stock Exchange.

The company's ultimate parent undertaking and controlling party is Viohalco SA/NV a Belgian corporation listed on the Belgian and Greek Stock Exchanges.

Copies of financial statements for both of the above undertakings can be obtained from the offices of Viohalco SA/NV, which are located at 30 Avenue Marnix, 1000 Brussels, Belgium.