Registered number: 00592752

ALANOD LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

ALANOD LIMITED

COMPANY INFORMATION

Directors	S H M Steuer (resigned 1 July 2018) O Storbeck S Borrell
Registered number	00592752
Registered office	Chippenham Drive Kingston Milton Keynes MK10 0AN
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF

ALANOD LIMITED

CONTENTS

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

S H M Steuer (resigned 1 July 2018)
O Storbeck
S Borrell

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

Since the year-end the company has paid dividends amounting to £4,094,000.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Brexit

Following the decision by the Prime Minister on the day of the Board Meeting, Wednesday 20th March 2019, to seek a delay in the Brexit date, the period of Brexit uncertainty is likely to be prolonged.

90% of our material needed for local sales comes from Germany, and some material sourced locally is needed for export to Germany. In our view it is likely that import and export of our materials might be significantly impacted in the short term by a No Deal Brexit, which remains a significant possibility. The company has therefore already increased significantly the stock levels of all the strategic materials needed in the last few months, to be able to "wait out" a period of at least up to 6 months of continued uncertainty.
The company has also drawn the attention of our customer in Germany to this uncertainty and suggested they inform us of their long term purchasing strategy.

We do not see any impact of any HR issues upon the company, as a result of the Brexit uncertainty.

It might be expected that sales to certain customers might be impacted due to the international nature of their business but we are in the best position to weather this. We do not see any solvency or liquidity issues arising from Brexit which might threaten the long-term viability of the company.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

S Borrell
Director

Date: 27th March 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALANOD LIMITED

Opinion

We have audited the financial statements of Alanod Limited (the 'Company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to United Kingdom exiting the European Union on our audit

The Directors' view on the impact of Brexit is disclosed on page 2.

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Company's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Company and this is particularly the case in relation to Brexit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALANOD LIMITED

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALANOD LIMITED

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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.

Stephen Brown

Stephen Brown (Senior statutory auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: 29 March 2019

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Turnover		1,979	2,378
Cost of sales		(1,275)	(1,529)
Gross profit		704	849
Administrative expenses		(787)	(847)
Profit on disposal of land		-	331
Other operating income	3	283	255
Operating profit		200	588
Gains on investment property		-	450
Interest receivable and similar income		20	16
Other finance (costs) / income		(32)	(33)
Profit before tax		188	1,021
Tax on profit		(46)	46
Profit for the financial year		142	1,067
Other comprehensive income for the year			
Actuarial gains / (losses) on defined benefit pension scheme		1,515	(370)
Movement of deferred tax relating to pension deficit		(304)	(46)
Other comprehensive income for the year		1,211	(416)
Total comprehensive income for the year		1,353	651

The notes on pages 9 to 23 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note		2018 £000		2017 £000
Fixed assets					
Tangible assets	7		823		871
Investment property	8		2,862		2,862
			3,685		3,733
Current assets					
Stocks	9	484		348	
Debtors: amounts falling due within one year	10	4,428		4,459	
Cash at bank and in hand	11	2,003		2,138	
		6,915		6,945	
Creditors: amounts falling due within one year	12	(250)		(385)	
Net current assets			6,665		6,560
Total assets less current liabilities			10,350		10,293
Pension asset / (liability)			195		(1,101)
Net assets			10,545		9,192
Capital and reserves					
Called up share capital	13		1,800		1,800
Share premium account			900		900
Profit and loss account			7,845		6,492
			10,545		9,192

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

S Borrell
Director

Date: 27th March 2019

The notes on pages 9 to 23 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2018	1,800	900	6,492	9,192
Comprehensive income for the year				
Profit for the year	-	-	142	142
Other comprehensive movements on pension scheme	-	-	1,211	1,211
Other comprehensive income for the year	-	-	1,211	1,211
Total comprehensive income for the year	-	-	1,353	1,353
Total transactions with owners	-	-	-	-
At 31 December 2018	1,800	900	7,845	10,545

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2017	1,800	900	5,841	8,541
Comprehensive income for the year				
Profit for the year	-	-	1,067	1,067
Other comprehensive movements on pension scheme	-	-	(416)	(416)
Other comprehensive income for the year	-	-	(416)	(416)
Total comprehensive income for the year	-	-	651	651
Total transactions with owners	-	-	-	-
At 31 December 2017	1,800	900	6,492	9,192

The notes on pages 9 to 23 form part of these financial statements.

1. General information

Alanod Limited (the "Company") is a private company limited by shares, incorporated and domiciled in England and Wales. The Company's registered number is 00592752.

The address of the registered office and principle place of business is Chippenham Drive, Kingston, Milton Keynes, MK10 0AN, and the nature of the businesses operations is the distribution of aluminium in coil and sheet form.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest thousand GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the budgets and cash flow forecasts for the Company and have decided that the Company will be able to meet its liabilities as they fall due and so the financial statements have been prepared on a going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- *the amount of revenue can be measured reliably;*
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is charged to the Statement of Comprehensive Income in administrative expenses.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 3% Straight Line
Plant & machinery	- 10% Straight Line
Fixtures & fittings	- 10-33% Straight Line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Depreciation is charged to the Statement of Comprehensive Income in administrative expenses.

2.6 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2. Accounting policies (continued)

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Accounting policies (continued)

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.13 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of Comprehensive Income on a straight line basis over the term of the relevant lease.

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

a) the increase in net pension benefit liability arising from employee service during the period; and

b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.15 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2. Accounting policies (continued)

2.16 *Provisions for liabilities*

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.17 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and 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 balance sheet date in the countries where the Company operates and generates income.

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

- 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Other operating income

	2018 £000	2017 £000
Net rents receivable	238	217
Sundry income	45	38

4. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £15,800 and non-audit services totalled £7,200. (2017 - Audit £16,500 and non-audit services £6,300).

5. Employees

The average monthly number of employees, including directors, during the year was 9 (2017 - 9).

6. Intangible assets

	Computer software £000
Cost	
At 1 January 2018	497
At 31 December 2018	497
Amortisation	
At 1 January 2018	497
At 31 December 2018	497
Net book value	
At 31 December 2018	-
At 31 December 2017	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Tangible fixed assets

	Freehold property £000	Plant & machinery £000	Fixtures & fittings £000	Total £000
Cost or valuation				
At 1 January 2018	1,839	1,270	693	3,802
Additions	-	-	9	9
At 31 December 2018	1,839	1,270	702	3,811
Depreciation				
At 1 January 2018	1,039	1,233	659	2,931
Charge for the year	40	9	8	57
At 31 December 2018	1,079	1,242	667	2,988
Net book value				
At 31 December 2018	760	28	35	823
At 31 December 2017	800	37	34	871

8. Investment property

	Freehold investment property £000
Valuation	
At 1 January 2018	2,862
At 31 December 2018	2,862

The 2018 valuations remain unchanged from the 2017 valuations that were made by Brown & Lee Chartered Surveyors, on an open market value for existing use basis. There are no events or conditions in the market that would suggest the valuation has materially changed, and the use of the 2017 valuations therefore remain appropriate.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2018 £000	2017 £000
Historic cost	2,568	2,568
Accumulated depreciation and impairments	(1,483)	(1,426)
	1,085	1,142

9. Stocks

	2018 £000	2017 £000
Finished goods and goods for resale	484	348

Stock recognised in cost of sales during the year as an expenses was £1,174,376 (2017 - £1,322,731)

10. Debtors

	2018 £000	2017 £000
Trade debtors	286	341
Amounts owed by group undertakings	4,101	4,025
Other debtors	-	45
Prepayments and accrued income	41	48
	4,428	4,459

The amounts owed by group undertakings is made up of 3 separate loans for £3,250,000, €88,586 and £771,888. These are all repayable by 16 June 2024 with interest being charged at ECB + 1% until the loan has been settled.

11. Cash and cash equivalents

	2018 £000	2017 £000
Cash at bank and in hand	2,003	2,138

12. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	108	19
Amounts owed to group undertakings	22	-
Other taxation and social security	49	220
Accruals and deferred income	71	146
	250	385

13. Share capital

	2018 £000	2017 £000
Authorised		
3,000,000 Ordinary Shares shares of £1 each	3,000	3,000
Allotted, called up and fully paid		
1,800,000 Ordinary Shares shares of £1 each	1,800	1,800

14. Pension commitments

Alanod Money Purchase Scheme

The company operates a defined contribution pension scheme. This scheme is a stakeholder arrangement administered by an insurance company. The pension cost charge represents contributions payable by the company to the scheme and amounted to £66,561 (2017: £44,190). At 31 December 2018 contributions of £nil (2017: £1,095) were payable to the scheme and are included in creditors.

Alanod Defined Benefit Scheme

The Company operates a Defined Benefit Pension Scheme.

The Company sponsors the Alanod Pension Fund, which is a defined benefit arrangement. The valuation results of this scheme are based on the actuarial valuation as at 1 April 2016 and have been updated on an approximate basis by an independent actuary to 31 December 2018.

The contribution rate including members' contributions was increased to 34.0% of pensionable salaries on 1 April 2016 following the actuarial valuation of the scheme as at 1 April 2016. The total recognised contributions made over the financial year have been £180,000 (inclusive of expenses) (2017: £647,000).

The long term expected rate of return is determined by reference to the bonus rate applied by Aviva under the Deferred Allocation Funding contract, less an allowance for fund charges.

Reconciliation of present value of plan liabilities:

	2018 £000	2017 £000
Reconciliation of present value of plan liabilities		
At the beginning of the year	13,368	14,607
Current service cost	58	67
Interest cost	328	367
Actuarial (gains)/losses	(812)	414
Contributions	6	8
Benefits paid	(555)	(2,095)
At the end of the year	12,393	13,368

14. Pension commitments (continued)

Reconciliation of present value of plan assets:

	2018 £000	2017 £000
Reconcilation of present value of plan assets		
At the beginning of the year	12,267	13,380
Interest income	296	334
Actuarial gains/losses	703	44
Contributions	186	655
Benefits paid	(555)	(2,095)
Deferred tax movement on actuarial gain/loss	(304)	(46)
Admin fees	(5)	(5)
At the end of the year	12,588	12,267

Composition of plan assets:

	2018 £000	2017 £000
Aviva - Deferred Allocation Funding With-profits policy	12,634	12,009

	2018 £000	2017 £000
Fair value of plan assets	12,588	12,267
Present value of plan liabilities	(12,393)	(13,368)
Net pension scheme asset / (liability)	195	(1,101)

The amounts recognised in profit or loss are as follows:

	2018 £000	2017 £000
Current service cost	58	67
Interest on obligation	(328)	(367)
Interest income on plan assets	296	334
Total	26	34
Actual return on scheme assets	999	378

14. Pension commitments (continued)

The Company expects to contribute £157,353 to its Defined Benefit Pension Scheme in 2019.

	2018 £000	2017 £000
Analysis of actuarial loss recognised in Other Comprehensive Income		
Actual return less interest income included in net interest income	703	44
Experience gains and losses arising on the scheme liabilities	(109)	(537)
Changes in assumptions underlying the present value of the scheme liabilities	921	123
	1,515	(370)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2018 %	2017 %
Discount rate	2.8	2.5
Future salary increases	2.5	3.85
Future pension increases	3.4	3.4
Inflation assumption	3.4	3.4

Amounts for the current and previous four periods are as follows:

	2018 £000	2017 £000	2016 £000	2015 £000	2014 £000
Defined benefit obligations	(12,393)	(13,378)	(14,612)	(11,382)	(13,699)
Scheme assets	12,634	12,019	13,081	13,137	12,207
Related deferred tax asset / (liability)	(46)	258	304	(351)	298
Surplus / (deficit)	195	(1,101)	(1,227)	1,404	(1,194)

15. Commitments under operating leases

Operating as a lessor

At 31 December 2018 the company had future minimum rental income under non-cancellable operating leases as follows:

	2018 £000	2017 £000
Not later than 1 year	209	209
Later than 1 year and not later than 5 years	175	384
	384	593

16. Related party transactions

The company has taken advantage of the exemption regarding related party transactions for a wholly owned subsiduary and therefore does not disclose details of related party transactions with members of the ALANOD GmbH & Co KG.

As a result of its ownership, Jordan Reflectors Limited is a related party. Goods to a value of £243,000 (2017: £496,000) were supplied to Jordan Reflectors Limited during the year. At the year end Jordan Reflectors Limited owed the company £45,000 (2017: £107,000).

As a result of its ownership, White Optics LLC is a related party. Goods to a value of £24,000 (2017: £42,000) were purchased from White Optics LLC during the year. At the year end the company was owed £1,000 from White Optics LLC (2017: White Optics LLC owed the company £5,000).

17. Post balance sheet events

On 20th March 2019, Alanod Limited declared a dividend of EUR 4,787,467 equating to £4,094,000 GBP.

18. Controlling party

Throughout the year ended 31 December 2018 the directors regarded ALANOD GmbH & Co KG, a company registered in Germany, as the ultimate parent company and the smallest group for which group accounts are prepared. These can be obtained from Egerstrasse 12, 58256 Ennepetal, Germany.