

"REGISTRAR"

ABRAM PULMAN & SONS LTD

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STATEMENT OF ACCOUNTS

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YEAR ENDED 31ST DECEMBER 2012

Number
56547 (England & Wales)

Address
WALTON STREET
SOWERBY BRIDGE
WEST YORKSHIRE



SUTCLIFFE & RILEY
Chartered Accountants
3 Central Street
HALIFAX
HX1 1HU

"REGISTRAR"

INDEPENDENT AUDITOR'S REPORT TO ABRAM PULMAN & SONS LTD

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 - 12, together with the financial statements of Abram Pulman & Sons Ltd for the year ended 31st December 2012 prepared under section 396 of the Companies Act 2006

Respective Responsibilities of Directors and Auditors

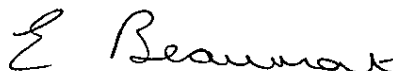
The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you

Basis of Opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with s 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section



Elaine Beaumont (Senior Statutory Auditor)
For and on behalf of Sutcliffe & Riley
Chartered Accountants and Statutory Auditors
3 Central Street
HALIFAX
HX1 1HU

4th March 2013

"REGISTRAR"

ABRAM PULMAN & SONS LTD

DIRECTORS' REPORT

for the year ended 31st December 2012

Registered Office

Walton Street, Sowerby Bridge, West Yorkshire

Number

56547 Registered in England

Principal activities and review of business

The Company has continued to trade as steel stockholders

The results for the year are set out on page 4 Trading continued to be at slightly increased levels to 2011 giving the Directors confidence that with a marginal increase in the local steel market and a continued proactive corporate culture growth is on-going and sustainable

The Future

The Directors believe that 2013 will be challenging but are in a position to invest in Plant & Machinery to accommodate further growth

Financial Instrument risk

The Company has a commercial factoring agreement and operates within its agreed limits Most sales are to UK customers and most supplies are sourced from the UK therefore the Company has not entered into any hedging agreements in respect of risks relating to trade debtors or creditors

The interest rate on the commercial factoring agreement is 2.5% above the base rate, currently 0.5%, and should it increase by 1% this will increase the Company's borrowing costs by approximately £16,000

The Company is reliant on its commercial factoring facility and therefore there is a cash flow and liquidity risk The bank is satisfied with the Company's financial performance and the directors do not think that the commercial factoring facility will be withdrawn

Dividend

The directors recommend a dividend of 50% or £ 3,510

Directors

The Directors who held office during the year are set out below together with their interests in the shares of the Company

	Shares Held	
	31st December 2012	31st December 2011
D N Shoesmith	860	860
J C Horner	74	74

Fixed Assets

The movements in fixed assets during the year are set out in note 6 of the Notes to the Financial Statements

In the opinion of the directors the market value of the company's Land and Buildings exceeds the book value of £292,551 shown in the financial statements but are unable to quantify the excess since no recent professional valuation has been carried out

Creditors payment policy

The company operates a policy of paying trade creditors within 60 days

ABRAM PULMAN & SONS LTD

DIRECTORS' REPORT (Continued)

for the year ended 31st December 2012

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgements and estimates that are reasonable and prudent,*
- *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 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 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

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 financial statements may differ from legislation in other jurisdictions

Statement of Disclosure of Information to Auditors


The directors of the company who held office at the date of approval of this annual report confirm that

- *so far as they are aware, there is no relevant audit information, information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware, and*
- *they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information*

Auditors

A resolution proposing the re-appointment of Sutcliffe & Riley as auditors to the company in accordance with s485 of the Companies Act 2006 will be put to the Annual General Meeting

**Signed on behalf of the
Board of Directors**



D N SHOESMITH
Director

Approved by the Board. 4th March 2013

ABRAM PULMAN & SONS LTD

PROFIT & LOSS ACCOUNT

for the year ended 31st December 2012

	Notes	2012	2011
Turnover	(1)	9,865,850	9,439,427
Cost of Sales		<u>6,904,808</u>	<u>6,669,448</u>
GROSS PROFIT ON CONTINUING OPERATIONS		2,961,042	2,769,979
Distribution Costs	2,260,548		2,083,037
Administrative Expenses	527,868		519,020
Other Operating Income – Rent Received	<u>(17,824)</u>	<u>2,770,592</u>	<u>(11,440)</u>
OPERATING PROFIT ON CONTINUING OPERATIONS	(2)	190,450	179,362
Interest Receivable		102	-
Interest Payable	(3)	<u>(59,560)</u>	<u>(53,775)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		130,992	125,587
Taxation	(5)	<u>(29,271)</u>	<u>(29,857)</u>
PROFIT FOR THE FINANCIAL YEAR		£ <u>101,721</u>	£ <u>95,730</u>

None of the Company's activities were acquired or discontinued during the year and there were no recognised gains or losses for 2011 or 2012 other than those included in the profit & loss account

The notes on pages 6 and 12 form part of this account

ABRAM PULMAN & SONS LTD

BALANCE SHEET

as at 31st December 2012

	Notes	2012	2011
FIXED ASSETS			
Tangible Assets	(6)	958,062	1,025,941
Investments	(7)	<u>18,000</u>	<u>18,000</u>
		976,062	1,043,941
CURRENT ASSETS			
Stock & Work in Progress	(8)	997,413	1,060,398
Debtors	(9)	2,347,873	2,180,859
Cash in Hand & Bank		<u>519,745</u>	<u>384,226</u>
		3,865,031	3,625,483
CREDITORS PAYABLE WITHIN ONE YEAR	(10)	<u>3,007,269</u>	<u>2,909,523</u>
NET CURRENT ASSETS		<u>857,762</u>	<u>715,960</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,883,824	1,759,901
CREDITORS PAYABLE IN MORE THAN ONE YEAR	(11)	114,872	164,845
PROVISIONS FOR LIABILITIES AND CHARGES	(12)	<u>73,698</u>	<u>48,013</u>
		<u>188,570</u>	<u>212,858</u>
		£ <u>1,645,254</u>	£ <u>1,547,043</u>
CAPITAL AND RESERVES			
Called up Share Capital	(13)	7,020	7,020
Reserves	(14)	17,515	17,515
Profit & Loss Account	(18)	<u>1,620,719</u>	<u>1,522,508</u>
EQUITY SHAREHOLDERS' FUNDS		£ <u>1,645,254</u>	£ <u>1,547,043</u>

The notes on pages 6 to 12 form part of this account

The accounts have been prepared in accordance with the special provisions of section 445(3) Companies Act 2006 in regard to medium-sized companies

Signed on behalf of the
Board of Directors



D N Shoesmith
Director

Approved by the Board: 4th March 2013

ABRAM PULMAN & SONS LTD

CASH FLOW STATEMENT

for the year ended 31st December 2012

	Notes	2012	2011
Reconciliation of Operating Profit with net Cash Flow from Operating Activities			
Operating Profit on continuing activities		190,450	179,362
Depreciation charges and adjustments on sale of fixed assets		127,514	115,364
Decrease (Increase) in Stocks		62,985	(209,388)
Decrease (Increase) in Debtors		(167,014)	(76,080)
Increase (Decrease) in Creditors		<u>(795,809)</u>	<u>813,985</u>
Net cash flow from operating activities		£ <u>(581,874)</u>	£ <u>823,243</u>
Cash Flow Statement			
Net cash flow from operating activities above		(581,874)	823,243
Returns on investments less servicing of finance	20(a)	(59,458)	(53,775)
Taxation (Paid)		(4,644)	(4,406)
Capital Expenditure	20(b)	(64,386)	(365,810)
Proceeds on Disposals of Tangible Fixed Assets		<u>4,750</u>	<u>8,650</u>
		(705,612)	407,902
Equity Dividends Paid		<u>(3,510)</u>	<u>(3,510)</u>
		(709,122)	404,392
Financing	20(c)	<u>(51,111)</u>	<u>146,007</u>
(Reduction)/Increase in cash in period		£ <u>(760,233)</u>	£ <u>550,399</u>
Reconciliation of Cash Flow with Movement in Net Funds (Debt)			
(Reduction)/Increase in cash in period as above		(760,233)	550,399
Hire Purchase Contracts taken out in Year		(31,903)	(222,200)
Capital Element of Hire Purchase Contracts Repayment		<u>83,014</u>	<u>76,193</u>
Change in Net Funds (Debt)		(709,122)	404,392
Net Funds (Debt) on 1/1/12	21	<u>(728,278)</u>	<u>(1,132,670)</u>
Net Funds (Debt) on 31/12/12	21	£ <u>(1,437,400)</u>	£ <u>(728,278)</u>

STATEMENT OF ACCOUNTING POLICIES

31st December 2012

- (1) *The accounts are prepared in accordance with the accounting practice principles set out in paragraphs 11 to 15 of Part II Section A to SI 410 of 2008 and with applicable accounting standards*
- (2) *Depreciation on tangible fixed assets is provided at rates calculated to write off the assets over their useful lives taking account of any residual value thereof*

The principal rates used are

<i>Leasehold Land & Buildings</i>	<i>Over the outstanding term of the Lease</i>
<i>Freehold Land & Buildings</i>	<i>5% p a reducing balance</i>
<i>Plant & Machinery</i>	<i>10% p a reducing balance</i>
<i>Cranes</i>	<i>20% p a reducing balance</i>
<i>Fixtures & Fittings, Office Furniture & Equipment</i>	<i>10% p a reducing balance</i>
<i>Motor Vehicles</i>	<i>25% p a reducing balance</i>
<i>Computer Equipment</i>	<i>25% p a reducing balance</i>

- (3) *Stock is valued at the lower of cost or net realisable value For this purpose cost comprises cost of direct materials and labour*
- (4) *Any charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date However, 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 In accordance with FRS19, deferred tax is not recognised on revaluation gains Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date*
- (5) *Turnover represents the value of goods sold by the company excluding VAT*
- (6) *The company contributes to a defined contribution pension scheme The assets of the scheme are held in a separately identifiable fund The charge in the profit and loss account represents payments made to the scheme during the year*
- (7) *The rental cost of assets acquired under operating leases is charged directly to the profit and loss account*
- (8) *Tangible fixed assets purchased under hire purchase contracts are capitalised at a value equal to the cost of acquiring the asset and depreciated in the same manner as owned assets The interest charges are charged to the profit and loss account over the period of the agreement*

NOTES TO THE FINANCIAL STATEMENTS

31st December 2012

	2012	2011
(1) Turnover		
<i>The whole of the company's turnover relates to the United Kingdom and is attributable to its principal activity of steel stockholders</i>		
(2) The Operating Profit is stated after charging/(crediting)		
Auditors' Remuneration	£ 8,650	£ 8,240
Depreciation on Tangible Fixed Assets		
Owned by the Company	£ 80,040	£ 80,522
Held under Hire Purchase Contracts	£ 44,669	£ 33,798
Operating Lease Rentals - Motor Vehicles, Computer & Office Equipment	£ 30,262	£ 29,600
Operating Lease Rentals - Land & Buildings	£ 22,002	£ 22,002
Loss/(Profit) on Disposal of Tangible Fixed Assets	£ 2,805	£ 1,045
(3) Interest Payable		
Commercial Finance Charges	(48,915)	(46,035)
Interest on Bank Overdraft & Bank Loan	-	(2)
Interest on Hire Purchase Contracts	<u>(10,645)</u>	<u>(7,738)</u>
	£ <u>(59,560)</u>	£ <u>(53,775)</u>
(4) Staff Costs		
<i>Staff costs, including directors' remuneration were as follows</i>		
Wages & Salaries	1,287,163	1,168,151
Social Security Costs	166,368	153,284
Pension Costs	<u>21,144</u>	<u>18,603</u>
	£ <u>1,474,675</u>	£ <u>1,340,038</u>
<i>The average number of employees was</i>	<u>65</u>	<u>58</u>
<i>Emoluments of the directors were as follows</i>		
Salaries & Fees	321,326	292,534
Benefits in Kind	<u>6,930</u>	<u>7,526</u>
	£ <u>328,256</u>	£ <u>300,060</u>
<i>The amount payable to the highest paid director was £164,944 (2011 £150,925)</i>		
<i>Contributions made to money purchase pension schemes for two directors amounted to £45,600 (2011 £42,500) £22,800 payable for the highest paid director</i>		
<i>The highest paid director has not exercised any share options and has not received any entitlement to share options</i>		
(5) Taxation		
UK corporation tax-current year charge	3,585	1,608
prior year over reserved	<u>-</u>	<u>(513)</u>
Total current tax charge	3,585	1,095
Section 419 Tax payable/(repayable)	-	3,037
Deferred tax charge/(credit)	<u>25,686</u>	<u>25,725</u>
	£ <u>29,271</u>	£ <u>29,857</u>

ABRAM PULMAN & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS

31st December 2012

(5) Taxation Continued

The tax for the period is different from the standard rate of UK tax applicable to a company for 2012 26 % & 24% (2011 26%) The differences are explained below

	2012	2011
Profit on ordinary activities before tax	130,992	125,587
Expenses not deductible for tax purposes	1,016	995
Depreciation for period in excess of Capital Allowances	36,328	(74,339)
Rental Income and Bank Interest	<u>(17,926)</u>	<u>(7,940)</u>
Trading tax adjusted profit for the period	150,410	44,303
Losses Brought forward	<u>(150,410)</u>	<u>(44,303)</u>
Rental Income and Bank Interest	£ <u>17,926</u>	£ <u>7,940</u>
Rental Income multiplied by the standard rate of 26% & 24%	4,392	2,064
Less marginal relief	(807)	(456)
Adjustment to tax charge in respect of prior year	<u>-</u>	<u>(513)</u>
Current tax charge for the year	£ <u>3,585</u>	£ <u>1,095</u>

(6) Tangible Fixed Assets are

	Land & Buildings	Plant & Machinery	Fixtures Fittings Office Furniture & Equipment	Motor Vehicles	Total
Cost					
1 1 12	913,466	1,236,019	250,259	182,507	2,582,251
Additions	-	20,016	8,921	35,449	64,386
Disposals	-	(40,000)	-	(12,400)	(52,400)
31 12 12	£ <u>913,466</u>	£ <u>1,216,035</u>	£ <u>259,180</u>	£ <u>205,556</u>	£ <u>2,594,237</u>
Depreciation					
1 1 12	620,915	667,991	171,217	96,187	1,556,310
Years Charge	14,350	71,396	15,239	23,724	124,709
Elimination on Disposals	-	(36,905)	-	(7,939)	(44,844)
31 12 12	£ <u>635,265</u>	£ <u>702,482</u>	£ <u>186,456</u>	£ <u>111,972</u>	£ <u>1,636,175</u>
Book Value					
31 12 12	£ <u>278,201</u>	£ <u>513,553</u>	£ <u>72,724</u>	£ <u>93,584</u>	£ <u>958,062</u>
31 12 11	£ <u>292,551</u>	£ <u>568,028</u>	£ <u>79,042</u>	£ <u>86,320</u>	£ <u>1,025,941</u>

The net book value of tangible fixed assets includes £ 275,281 (2011 £317,734) in respect of assets held under hire purchase contracts

(7) Investments are

	2012	2011
Holiday Property Bonds at Cost	<u>18,000</u>	<u>18,000</u>
	£ <u>18,000</u>	£ <u>18,000</u>

The Holiday Property Bonds, which are in the form of two life assurance policies effected on the lives of the directors give the life assured entitlement to holidays in a personal capacity The bonds have a surrender value at the year end date However the Company expects to hold the bonds for at least two years and therefore the bonds are shown at cost since there is considered to be no permanent diminution in value

NOTES TO THE FINANCIAL STATEMENTS

31st December 2012

	2012	2011
(8) Stock & Work in Progress comprise		
Raw Materials	976,602	1,036,310
Work in Progress	<u>20,811</u>	<u>24,088</u>
	£ <u>997,413</u>	£ <u>1,060,398</u>
(9) Debtors comprise		
Due after more than one year		
Other Debtors	29,458	29,458
Due within one year		
Trade Debtors	2,291,900	2,141,881
Prepayments	<u>26,515</u>	<u>9,520</u>
	£ <u>2,347,873</u>	£ <u>2,180,859</u>
(10) Creditors payable within one year are		
Commercial Finance	1,762,123	866,370
Hire Purchase Instalments (note 11)	80,150	81,288
Trade Creditors	983,479	1,795,654
Corporation Tax	3,585	4,645
Taxation & Social Security	149,046	136,766
Accruals	<u>28,886</u>	<u>24,800</u>
	£ <u>3,007,269</u>	£ <u>2,909,523</u>
The commercial finance is secured by a debenture creating a fixed and floating charge on all the assets of the company		
(11) Creditors payable in more than one year are		
Hire Purchase Contracts	£ <u>114,872</u>	£ <u>164,845</u>
Obligations under hire purchase contracts mature as follows		
Within one year	4,088	-
Between one and five years	<u>223,862</u>	<u>280,616</u>
	227,950	280,616
Less interest and charges allocated to future periods	<u>32,928</u>	<u>34,483</u>
	£ <u>195,022</u>	£ <u>246,133</u>
Hire purchase contracts are analysed as follows		
Current obligations	80,150	81,288
Non current obligations	<u>114,872</u>	<u>164,845</u>
	£ <u>195,022</u>	£ <u>246,133</u>
The hire purchase contracts are secured on the assets concerned		

NOTES TO THE FINANCIAL STATEMENTS

31st December 2012

	2012	2011
(12) Provision for liabilities and charges are		
Deferred Tax		
Balance Brought Forward	48,013	22,288
Charge for the year	<u>25,685</u>	<u>25,725</u>
Liability	£ <u>73,698</u>	£ <u>48,013</u>
(13) The called up share capital is		
Authorised £5 Ordinary Shares	£ <u>25,000</u>	£ <u>25,000</u>
Allotted & Fully Paid £5 Ordinary Shares	£ <u>7,020</u>	£ <u>7,020</u>
(14) Reserves are		
Capital Reserve	312	312
Share Premium Account	188	188
Capital Redemption Reserve	<u>17,015</u>	<u>17,015</u>
	£ <u>17,515</u>	£ <u>17,515</u>
The Capital Redemption Reserve represents the nominal value of 3,403 ordinary £5 shares purchased by the company from its shareholders under a written resolution dated 20 th September 2000		
(15) Capital commitments		
Capital expenditure authorised by the directors		
a) For which contracts had been placed	£ -	£ -
b) Not yet subject to contract	£ -	£ -
(16) There is a contingent liability in respect of corporation tax on the capital gain arising on the sale of Freehold Property, which has been rolled over against the cost of new buildings acquired. Additional Capital Gains Tax likely to arise on future sale of the Freehold Property is estimated to be	£ <u>39,738</u>	£ <u>43,050</u>
(17) Operating lease commitments		
The company had the following annual commitments under non cancellable operating leases		
a) Computer, Office Equipment and Motor Vehicles		
Expiring within one year	£ -	£ -
Expiring within two and five years	£ <u>35,464</u>	£ <u>38,066</u>
b) Land and Buildings		
Expiring within five years	£ <u>22,000</u>	£ <u>22,000</u>

ABRAM PULMAN & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31st December 2012

(18) Reconciliation of movements in Shareholders' Funds

	Called-up Share Capital	Reserves	Profit & Loss Account
Balance at 1 st January 2012	7,020	17,515	1,522,508
Profit for the Year	-	-	101,721
Dividend	-	-	(3,510)
Balance at 31 st December 2012	£ <u>7,020</u>	£ <u>17,515</u>	£ <u>1,620,719</u>

(19) Related Parties

- a) The company leases land and buildings owned by the directors' pension scheme under a ten year lease dated 1st December 2000. A normal commercial rent of £22,002 was payable during the year and at the year end date no amount was outstanding.
- b) Included within other debtors are interest free unsecured loans to the directors totalling £29,458 being loans to D N Shoesmith £15,650 and J C Horner £13,808. The maximum amount outstanding during the year was from D N Shoesmith £15,650 and J C Horner £13,808.

(20) Gross Cash Flows

(a) Returns on Investment and Servicing of Finance

Interest Paid	(59,560)	(53,775)
Interest Received	<u>102</u>	<u>-</u>
	£ <u>59,458</u>	£ <u>(53,775)</u>

(b) Capital Expenditure

Tangible Fixed Assets	£ <u>64,386</u>	£ <u>365,810</u>
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(c) Financing

Hire Purchase Contracts	31,903	222,200
Capital Element of Repayments under Hire Purchase Contracts	<u>(83,014)</u>	<u>(76,193)</u>
	£ <u>(51,111)</u>	£ <u>146,007</u>

(21) Analysis of changes in Net Funds (Debt)

	1/1/12	31/12/12	Cash Flows	
			2012	2011
Cash in Hand & at Bank	384,226	519,745	(135,519)	(56,051)
Commercial Finance	<u>(866,371)</u>	<u>(1,762,123)</u>	<u>895,752</u>	<u>(510,324)</u>
	(482,145)	(1,242,378)	760,233	(566,375)
Hire Purchase Contracts	<u>(246,133)</u>	<u>(195,022)</u>	<u>(51,111)</u>	<u>161,983</u>
Net Funds (Debt)	£ <u>(728,278)</u>	£ <u>(1,437,400)</u>	£ <u>709,122</u>	£ <u>(404,392)</u>