

ROC

Dennis Williams Limited

Registered number 00559042

Abbreviated accounts

For the year ended 31 December 2012

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COMPANIES HOUSE

DENNIS WILLIAMS LIMITED

COMPANY INFORMATION

Directors	Mrs P B Lees S J Allen Mr A R Lees
Company secretary	P B Lees
Registered number	00559042
Registered office	9 Kingsmark Freeway Euroway Trading Estate Bradford BD12 7HW
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditors Mazars House Gelderd Road Gildersome Leeds West Yorkshire LS27 7JN
Bankers	National Westminster Bank plc 7 Hustlergate Bradford West Yorkshire BD1 1PP

DENNIS WILLIAMS LIMITED

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DENNIS WILLIAMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the 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 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 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.

Principal activities

The principal activity of the company continued to be that of a wholesale supplier of hairdressing and beauty sundries and equipment.

Business review

The directors are satisfied with the company's performance during the year. The industry continues to be competitive and as a consequence there is increased pressure on pricing and margins.

The directors do not anticipate significant growth in turnover in 2013 as its Franchise agreement with its Middlesbrough branch ceased in March 2013. It is expected, however, that overall margins will improve as a result of this change.

The directors consider the key performance indicators of the company to be turnover, gross margin and net profit after taxation.

Turnover - turnover decreased by 0.6% in the year from £9.117m to £9.062m.

Gross margin - gross margin percentage achieved on turnover was 30.4% (2011 - 31.3%)

Profit after taxation - profit after taxation was £235k (2011 - £199k)

DENNIS WILLIAMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

Results

The profit for the year, after taxation, amounted to £234,547 (2011 - £199,398)

Directors

The directors who served during the year were

Mrs P B Lees

S J Allen

Mr A R Lees (appointed 12 August 2013)

Principal risks and uncertainties

The directors are aware of the major financial and non-financial risks affecting the company and take appropriate action to mitigate those risks as far as possible. The company faces risk from operating in the current economic climate, however due to the nature of the business, the company does not place heavy reliance on any individual customers.

Future developments

The directors are confident that the financial and operational strength of the company will enable further growth within its existing sectors.

Going Concern

The use of the going concern basis of accounting is appropriate because, in the opinion of the directors, there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern. The directors have considered a period in excess of twelve months from the date of approval of these financial statements in making their assessment.

Provision of information to auditors

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

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

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

This report was approved by the board on *20 September 2013*, and signed on its behalf



Mrs P B Lees
Director

DENNIS WILLIAMS LIMITED

INDEPENDENT AUDITORS' REPORT TO DENNIS WILLIAMS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 15 together with the financial statements of Dennis Williams Limited for the year ended 31 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. This report, including our opinion, has been prepared for and only for the company's members as a body. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in this 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 work, for this report, or for the opinions we have formed.

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.

The scope of our work for the purpose of this report does not include examining events occurring after the date of our auditors' report on the full financial statements.

Opinion

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

S Davies

Steve Davies (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditors
Mazars House
Gelderd Road
Gildersome
Leeds
West Yorkshire
LS27 7JN

Date *24 September 2013*

DENNIS WILLIAMS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
Turnover		9,061,716	9,117,205
Gross profit		2,942,693	3,057,263
Administrative expenses		(2,607,462)	(2,772,924)
Operating profit	2	335,231	284,339
Interest receivable and similar income		916	1,160
Interest payable and similar charges	5	(37,160)	(43,126)
Profit on ordinary activities before taxation		298,987	242,373
Tax on profit on ordinary activities	6	(64,440)	(42,975)
Profit for the financial year	14	234,547	199,398

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

The notes on pages 7 to 15 form part of these financial statements

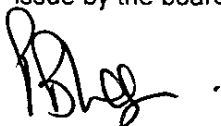
DENNIS WILLIAMS LIMITED

Registered number 00559042

**ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2012**

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	7		250,908		234,065
Current assets					
Stocks	8	2,176,705		2,142,906	
Debtors	9	270,398		306,661	
Cash at bank and in hand		274,224		97,749	
			<u>2,721,327</u>	<u>2,547,316</u>	
Creditors: amounts falling due within one year	10	(1,677,742)		(1,727,912)	
Net current assets			<u>1,043,585</u>		<u>819,404</u>
Total assets less current liabilities			<u>1,294,493</u>		<u>1,053,469</u>
Creditors: amounts falling due after more than one year	11		(200,000)		(200,000)
Provisions for liabilities					
Deferred tax	12		(16,922)		(10,445)
Net assets			<u><u>1,077,571</u></u>		<u><u>843,024</u></u>
Capital and reserves					
Called up share capital	13		2,000		2,000
Profit and loss account	14		<u>1,075,571</u>		<u>841,024</u>
Shareholders' funds	15		<u><u>1,077,571</u></u>		<u><u>843,024</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on *20 September 2013*.



Mrs P B Lees
Director

The notes on pages 7 to 15 form part of these financial statements

DENNIS WILLIAMS LIMITED

ABBREVIATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
Net cash flow from operating activities	16	353,379	(93,719)
Returns on investments and servicing of finance	17	(36,244)	(41,966)
Taxation		(47,472)	(62,217)
Capital expenditure and financial investment	17	(91,669)	(33,873)
Cash inflow/(outflow) before financing		177,994	(231,775)
Financing	17	(1,519)	(6,074)
Increase/(Decrease) in cash in the year		176,475	(237,849)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 £	2011 £
Increase/(Decrease) in cash in the year	176,475	(237,849)
Cash outflow from decrease in debt and lease financing	1,519	6,074
Movement in net debt in the year	177,994	(231,775)
Net funds at 1 January 2012	96,230	328,005
Net funds at 31 December 2012	274,224	96,230

The notes on pages 7 to 15 form part of these financial statements

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards and on a going concern basis

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Leasehold improvements	-	15% straight line
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	15% reducing balance
Computer equipment	-	25% straight line and 15% reducing balance

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. Accounting policies (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

2. Operating profit

The operating profit is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	72,161	73,193
- held under finance leases	-	2,566
Auditors' remuneration	7,000	-
Operating lease rentals		
- plant and machinery	10,067	12,946
- other operating leases	255,239	233,560
Loss on sale of tangible assets	2,665	6,161

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

3 Staff costs

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	1,479,473	1,595,408
Social security costs	126,903	139,117
Other pension costs	1,549	(9,449)
	<u>1,607,925</u>	<u>1,725,076</u>

The average monthly number of employees, including the directors, during the year was as follows

	2012 No	2011 No.
Management	13	14
Administrative	5	5
Sales	50	51
	<u>68</u>	<u>70</u>

4 Directors' remuneration

	2012 £	2011 £
Emoluments	<u>169,522</u>	<u>327,495</u>
Company pension contributions to defined contribution pension schemes	<u>1,549</u>	<u>(9,449)</u>

During the year retirement benefits were accruing to 1 director (2011 - 1) in respect of defined contribution pension schemes

5. Interest payable

	2012 £	2011 £
On other loans	37,160	42,490
On hire purchase contracts	-	636
	<u>37,160</u>	<u>43,126</u>

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

6. Taxation

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	58,317	47,826
Adjustments in respect of prior periods	(354)	-
Total current tax	<u>57,963</u>	<u>47,826</u>
Deferred tax (see note 12)		
Origination and reversal of timing differences	6,477	(4,851)
Tax on profit on ordinary activities	<u>64,440</u>	<u>42,975</u>
Factors affecting tax charge for the year		

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 24% (2011 - 20%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>298,987</u>	<u>242,373</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2011 - 20%)	71,757	48,475
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	671	(4,607)
Difference between capital allowances and depreciation	422	2,282
Adjustments to tax charge in respect of prior periods	(354)	-
Other differences leading to an increase (decrease) in the tax charge	1,533	1,676
Marginal relief	(16,066)	-
Current tax charge for the year (see note above)	<u>57,963</u>	<u>47,826</u>

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

7 Tangible fixed assets

	Leashold Improvements £	Other fixed assets £	Total £
Cost			
At 1 January 2012	170,298	687,098	857,396
Additions	35,458	93,461	128,919
Disposals	-	(87,320)	(87,320)
At 31 December 2012	205,756	693,239	898,995
Depreciation			
At 1 January 2012	116,342	506,989	623,331
Charge for the year	27,443	44,718	72,161
On disposals	-	(47,405)	(47,405)
At 31 December 2012	143,785	504,302	648,087
Net book value			
At 31 December 2012	61,971	188,937	250,908
At 31 December 2011	53,956	180,109	234,065

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2012 £	2011 £
Motor vehicles	-	7,699

8. Stocks

	2012 £	2011 £
Finished goods and goods for resale	2,176,705	2,142,906

9. Debtors

	2012 £	2011 £
Trade debtors	168,066	196,257
Other debtors and prepayments	102,332	110,404
	270,398	306,661

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

10 Creditors: Amounts falling due within one year

	2012 £	2011 £
Trade creditors	988,914	992,539
Corporation tax	58,317	47,826
Social security and other taxes	209,341	146,296
Other creditors	421,170	539,732
Net obligations under hire purchase contracts	-	1,519
	<u>1,677,742</u>	<u>1,727,912</u>

11. Creditors: Amounts falling due after more than one year

	2012 £	2011 £
Other creditors	<u>200,000</u>	<u>200,000</u>

12 Deferred taxation

	2012 £	2011 £
At beginning of year	10,445	15,296
Movement in provision	6,477	(4,851)
At end of year	<u>16,922</u>	<u>10,445</u>

The provision for deferred taxation is made up as follows

	2012 £	2011 £
Accelerated capital allowances	<u>16,922</u>	<u>10,445</u>

13. Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
2,000 Ordinary A shares of £1 each	<u>2,000</u>	<u>2,000</u>

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

14 Reserves

	Profit and loss account £
At 1 January 2012	841,024
Profit for the year	234,547
At 31 December 2012	<u>1,075,571</u>

15 Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Opening shareholders' funds	843,024	643,626
Profit for the year	234,547	199,398
Closing shareholders' funds	<u>1,077,571</u>	<u>843,024</u>

16. Net cash flow from operating activities

	2012 £	2011 £
Operating profit	335,231	284,339
Depreciation of tangible fixed assets	72,161	75,759
Loss on disposal of tangible fixed assets	2,665	6,161
Increase in stocks	(33,800)	(275,331)
Decrease/(increase) in debtors	36,263	(4,682)
Decrease in creditors	(59,141)	(179,965)
Net cash inflow/(outflow) from operating activities	<u>353,379</u>	<u>(93,719)</u>

17. Analysis of cash flows for headings netted in cash flow statement

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	916	1,160
Interest paid	(37,160)	(42,490)
Hire purchase interest	-	(636)
Net cash outflow from returns on investments and servicing of finance	<u>(36,244)</u>	<u>(41,966)</u>

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

17. Analysis of cash flows for headings netted in cash flow statement (continued)

	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(128,919)	(87,324)
Sale of tangible fixed assets	37,250	53,451
Net cash outflow from capital expenditure	<u>(91,669)</u>	<u>(33,873)</u>
	2012 £	2011 £
Financing		
Repayment of finance leases	<u>(1,519)</u>	<u>(6,074)</u>

18. Analysis of changes in net debt

	1 January 2012 £	Cash flow £	Other non-cash changes £	31 December 2012 £
Cash at bank and in hand	97,749	176,475	-	274,224
Debt:				
Finance leases	(1,519)	1,519	-	-
Net funds	<u>96,230</u>	<u>177,994</u>	<u>-</u>	<u>274,224</u>

19. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge/(credit) represents contributions payable/(refundable) by/(to) the company to/(from) the fund and amounted to £1,549 (2011 - £(9,449)).

20. Operating lease commitments

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2012 £	2011 £	2012 £	Other 2011 £
Expiry date:				
Within 1 year	-	-	6,567	-
Between 2 and 5 years	200,815	109,450	-	6,567
After more than 5 years	36,950	92,965	-	-

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

21. Related party transactions

The company paid rent of £79,500 (2011 - £78,000) to Mrs P B Lees (director and controlling shareholder) during the year for the use of the company's head office premises. The rent was charged at a commercial market rate.

Interest of £27,084 (2011 - £29,948) was payable in respect of a loan from Mrs P B Lees for the year to 31 December 2012.

Interest of £5,454 (2011 - £8,442) was payable in respect of a loan from the Marjorie Williams Discretionary Trust, a shareholder in the business, for the year to 31 December 2012.

Interest of £4,622 (2011 - £4,100) was payable on a loan from L Williams, who is a beneficiary of the Marjorie Williams Discretionary Trust and is the son of Mrs P B Lees, for the year to 31 December 2012.

The balances owed to related parties at the year end are listed below:

	2012 £	2011 £
P B Lees	(398,985)	(365,868)
The Marjorie Williams Discretionary Trust	(47,740)	(113,439)
L Williams	(68,885)	(46,800)
	<u> </u>	<u> </u>

22. Controlling party

The ultimate controlling party is Mrs P B Lees (director) due to her majority shareholding.