

Stratford Tools Limited

FINANCIAL STATEMENTS

for the year ended  
31 July 2010

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COMPANIES HOUSE

# **Stratford Tools Limited**

## **DIRECTORS AND OFFICERS**

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### **DIRECTORS**

Mr G Cooke  
Mrs P Cooke

### **SECRETARY**

Mrs P Cooke

### **BUSINESS ADDRESS**

No 1 Top Angel  
Buckingham Industrial Park  
Buckingham  
Bucks  
MK18 1TH

### **REGISTERED OFFICE**

No 1 Top Angel  
Buckingham Industrial Park  
Buckingham  
Bucks  
MK18 1TH

### **AUDITOR**

Baker Tilly UK Audit LLP  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
MK9 1BP

### **BANKERS**

The Royal Bank of Scotland  
Milton Keynes Branch  
402 Lower Twelfth Street  
Central Milton Keynes  
Milton Keynes  
MK9 3LF

### **SOLICITORS**

Taylor Walton  
Charter Court  
Midland Road  
Hemel Hempstead  
HP2 5GF

# Stratford Tools Limited

## DIRECTORS' REPORT

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The directors present their report and financial statements for the year ended 31 July 2010

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of precision sheet metal working

### REVIEW OF THE BUSINESS

The profit after taxation for the year was £14,245 (2009 loss £25,084) The directors believe that the company is in a good position to continue trading successfully in spite of the economic slowdown

### PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the company can be broadly grouped as competitive, legislative and financial

#### *Competitive risks*

With the downturn in the economy adversely affecting the market, the company has implemented a cost reduction programme to remain competitive

#### *Legislative Risks*

Although health and safety and employment legislation continues to be ever more onerous to all companies, much of the environmental legislation being introduced and further discussed is helpful to the company, which is involved in the reduction of energy consumption and environmentally friendly products

#### *Financial Risks*

The company's principal financial instruments comprise of hire purchase agreements, together with various items such as trade debtors and creditors. The main purpose of these instruments is to provide finance for the company's operations

There are limited risks arising to the company as a result of these instruments and the directors agree policies for the management of these risks, which are summarised below

#### a) Credit Risk

The company seeks to minimise any credit risk by dealing only with established or financially sound clients. It also establishes clear contractual relationships and identifies any credit issues in a timely manner

#### b) Liquidity risk

The group seeks to manage and minimise financial risk by ensuring that sufficient liquidity is available at all times to meet foreseeable needs and by investing cash assets safely and profitably

#### c) Interest rate risk

The interest charges on the company's hire purchase agreements are fixed thereby giving certainty over the interest payable on the finance used to acquire the company's assets

# Stratford Tools Limited

## DIRECTORS' REPORT

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### RESULTS AND DIVIDENDS

The results for the year are set out on page 6

The directors do not recommend payment of a dividend

### DIRECTORS

The following directors have held office since 1 August 2009

Mr G Cooke

Mrs P Cooke

In accordance with the company's Articles of Association, Mr G Cooke retires by rotation and, being eligible, offers himself for re-election

### AUDITOR

A resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditor will be put to the members at the annual general meeting

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that 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 it has been communicated to the auditor.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr G Cooke  
Director



# Stratford Tools Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD TOOLS LIMITED

We have audited the financial statements on pages 6 to 15 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 4, 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 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 (APB's) Ethical Standards for Auditors

### Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP)

### Opinion on the 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 July 2010 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

### Opinion on other matter prescribed by the Companies Act 2006

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

### 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

TIMOTHY LUDDINGTON (SENIOR STATUTORY AUDITOR)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

The Pinnacle

170 Midsummer Boulevard

Milton Keynes

MK9 1BP

*Baker Tilly UK Audit LLP*

*7<sup>th</sup> March 2011.*

**Stratford Tools Limited**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 July 2010

|                                                      | <i>Notes</i> | 2010<br>£   | 2009<br>£   |
|------------------------------------------------------|--------------|-------------|-------------|
| TURNOVER                                             | 1            | 3,149,382   | 3,296,103   |
| Cost of sales                                        |              | (2,635,992) | (2,756,342) |
| GROSS PROFIT                                         |              | 513,390     | 539,761     |
| Other operating expenses                             |              | (474,329)   | (577,623)   |
| OPERATING PROFIT/(LOSS)                              |              | 39,061      | (37,862)    |
| Investment income                                    | 2            | -           | 137         |
| Interest payable and similar charges                 | 3            | (18,193)    | (22,181)    |
| PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION | 4            | 20,868      | (59,906)    |
| Taxation                                             | 7            | (6,623)     | 34,822      |
| PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION  | 16           | 14,245      | (25,084)    |

The operating profit for the year arises from the company's continuing operations

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

# Stratford Tools Limited

## BALANCE SHEET

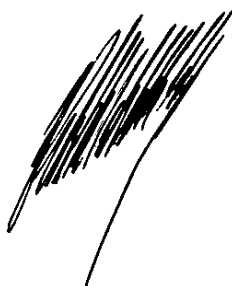
for the year ended 31 July 2010

|                                                               | Notes | 2010<br>£        | 2009<br>£        |
|---------------------------------------------------------------|-------|------------------|------------------|
| <b>FIXED ASSETS</b>                                           |       |                  |                  |
| Tangible assets                                               | 8     | 2,747,715        | 2,688,470        |
| <b>CURRENT ASSETS</b>                                         |       |                  |                  |
| Stocks                                                        | 9     | 94,869           | 117,927          |
| Debtors                                                       | 10    | 832,538          | 528,543          |
| Cash at bank and in hand                                      |       | 66,734           | 133,345          |
|                                                               |       | <u>994,141</u>   | <u>779,815</u>   |
| <b>CREDITORS Amounts falling due within one year</b>          | 11    | (849,896)        | (461,940)        |
| <b>NET CURRENT ASSETS</b>                                     |       | <u>144,245</u>   | <u>317,875</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                  |       | <u>2,891,960</u> | <u>3,006,345</u> |
| <b>CREDITORS Amounts falling due after more than one year</b> | 12    | (319,081)        | (460,191)        |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>                 | 13    | (91,341)         | (78,861)         |
| <b>NET ASSETS</b>                                             |       | <u>2,481,538</u> | <u>2,467,293</u> |
| <b>CAPITAL AND RESERVES</b>                                   |       |                  |                  |
| Called up share capital                                       | 15    | 12,400           | 12,400           |
| Profit and loss account                                       | 16    | 2,469,138        | 2,454,893        |
| <b>SHAREHOLDERS' FUNDS</b>                                    | 17    | <u>2,481,538</u> | <u>2,467,293</u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements on pages 6 to 15 were approved by the board of directors and authorised for issue on 20<sup>th</sup> February 11 and are signed on its behalf by

Mr G Cooke  
Director





# Stratford Tools Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

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

### GOING CONCERN

The financial statements have been prepared under the going concern basis, which the directors consider to be appropriate in view of the matters explained below

The directors have prepared projected cashflow information for at least 12 months from the date of approval of these financial statements. On the basis of this cashflow forecast and the continued financial support from its major shareholder, the directors consider it appropriate to prepare the financial statements on a going concern basis

### CASHFLOW STATEMENT

The company has taken advantage of the small company exemption from preparing a cash flow statement under the terms of FRS 1

### TURNOVER

Turnover represents the invoiced value of goods, net of Value Added Tax, and is recognised on despatch to customers

### TANGIBLE FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at historical cost less depreciation

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

|                                |                     |
|--------------------------------|---------------------|
| Freehold land and buildings    | over 50 years       |
| Plant and machinery            | 10% - 25% per annum |
| Fixtures, fittings & equipment | 10% - 20% per annum |
| Motor vehicles                 | 25% per annum       |

### LEASED ASSETS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term

### STOCK AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items

### RETIREMENT BENEFITS

The company runs a defined contribution pension scheme, for which the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

# Stratford Tools Limited

## ACCOUNTING POLICIES

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### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

# Stratford Tools Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2010

### 1 TURNOVER

The contributions of the various activities of the company to turnover, which are in respect of continuing activities are set out below

|                        | 2010             | 2009             |
|------------------------|------------------|------------------|
|                        | £                | £                |
| By Geographical market |                  |                  |
| United Kingdom         | 3,018,315        | 3,244,799        |
| Europe                 | 110,941          | 35,824           |
| Rest of the world      | 20,126           | 15,480           |
|                        | <u>3,149,382</u> | <u>3,296,103</u> |

### 2 INVESTMENT INCOME

|               | 2010     | 2009       |
|---------------|----------|------------|
|               | £        | £          |
| Bank interest | -        | 137        |
|               | <u>-</u> | <u>137</u> |

### 3 INTEREST PAYABLE AND SIMILAR CHARGES

|                                                  | 2010          | 2009          |
|--------------------------------------------------|---------------|---------------|
|                                                  | £             | £             |
| On bank loans and overdrafts                     | 1,655         | -             |
| On loans repayable after five years              | -             | 4,645         |
| Lease finance charges and hire purchase interest | 16,538        | 17,536        |
|                                                  | <u>18,193</u> | <u>22,181</u> |

### 4 OPERATING PROFIT/(LOSS) BEFORE TAXATION

|                                                                                | 2010           | 2009           |
|--------------------------------------------------------------------------------|----------------|----------------|
|                                                                                | £              | £              |
| Operating profit/(loss) is stated after charging/(crediting)                   |                |                |
| Depreciation of tangible assets                                                |                |                |
| Owned assets                                                                   | 174,821        | 202,413        |
| Leased assets                                                                  | 64,177         | 46,631         |
| Fees payable to the company's auditors for the audit of the company's accounts | 11,700         | 12,450         |
| Fees payable to the company's auditors for other services                      |                |                |
| - services relating to taxation                                                | 2,470          | 3,225          |
| - services relating to company secretarial matters                             | 835            | 815            |
| Profit on disposal of tangible assets                                          | (60,000)       | -              |
|                                                                                | <u>228,993</u> | <u>265,534</u> |

### 5 DIRECTORS' EMOLUMENTS

|                                    | 2010         | 2009          |
|------------------------------------|--------------|---------------|
|                                    | £            | £             |
| Emoluments for qualifying services | 5,962        | 24,174        |
|                                    | <u>5,962</u> | <u>24,174</u> |

**Stratford Tools Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2010

|          |                                                                                                                          |                  |                  |
|----------|--------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>6</b> | <b>EMPLOYEES</b>                                                                                                         | <b>2010</b>      | <b>2009</b>      |
|          |                                                                                                                          | <b>No</b>        | <b>No</b>        |
|          | The average monthly number of employees (including directors) during the year was                                        |                  |                  |
|          | Production                                                                                                               | 41               | 42               |
|          | Sales and administration                                                                                                 | 5                | 7                |
|          |                                                                                                                          | <u>46</u>        | <u>49</u>        |
|          |                                                                                                                          |                  |                  |
|          | Staff costs for the above persons                                                                                        | <b>2010</b>      | <b>2009</b>      |
|          |                                                                                                                          | <b>£</b>         | <b>£</b>         |
|          | Wages and salaries                                                                                                       | 1,275,544        | 1,344,283        |
|          | Social security costs                                                                                                    | 139,441          | 142,055          |
|          | Other pension costs                                                                                                      | 32,153           | 34,863           |
|          |                                                                                                                          | <u>1,447,138</u> | <u>1,521,201</u> |
|          |                                                                                                                          |                  |                  |
| <b>7</b> | <b>TAXATION</b>                                                                                                          | <b>2010</b>      | <b>2009</b>      |
|          |                                                                                                                          | <b>£</b>         | <b>£</b>         |
|          | Current tax                                                                                                              |                  |                  |
|          | UK corporation tax on profit of the period                                                                               | -                | 2,542            |
|          | Adjustment in respect of prior periods                                                                                   | (5,857)          |                  |
|          | Current tax (credit)/charge                                                                                              | <u>(5,857)</u>   | <u>2,542</u>     |
|          | Deferred tax                                                                                                             |                  |                  |
|          | Deferred tax charge/(credit) current year                                                                                | 12,480           | (37,364)         |
|          | Tax on profit/(loss) on ordinary activities                                                                              | <u>6,623</u>     | <u>(34,822)</u>  |
|          | <i>Factors affecting the tax charge for the year</i>                                                                     |                  |                  |
|          | Profit/(loss) on ordinary activities before taxation                                                                     | <u>20,868</u>    | <u>(59,906)</u>  |
|          | Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21% (2009 21%) | <u>4,382</u>     | <u>(12,580)</u>  |
|          | Effects of                                                                                                               |                  |                  |
|          | Non deductible expenses                                                                                                  | 8,098            | 76               |
|          | Capital allowances (in excess of)/less than depreciation                                                                 | (12,349)         | 15,046           |
|          | Other tax adjustments                                                                                                    | (131)            | -                |
|          | Tax losses carried back                                                                                                  | (5,857)          | -                |
|          |                                                                                                                          | <u>(10,239)</u>  | <u>15,122</u>    |
|          | Current tax charge                                                                                                       | <u>(5,857)</u>   | <u>2,542</u>     |

**Stratford Tools Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2010

**8 TANGIBLE FIXED ASSETS**

|                        | Freehold<br>land and<br>buildings<br>£ | Plant and<br>machinery<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£       |
|------------------------|----------------------------------------|-----------------------------|---------------------------------------------|------------------------|------------------|
| <b>COST</b>            |                                        |                             |                                             |                        |                  |
| At 1 August 2009       | 2,540,583                              | 3,426,045                   | 242,345                                     | 46,820                 | 6,255,793        |
| Additions              | -                                      | 287,266                     | 10,977                                      | -                      | 298,243          |
| Disposals              | -                                      | (591,432)                   | -                                           | -                      | (591,432)        |
| <b>At 31 July 2010</b> | <b>2,540,583</b>                       | <b>3,121,879</b>            | <b>253,322</b>                              | <b>46,820</b>          | <b>5,962,604</b> |
| <b>DEPRECIATION</b>    |                                        |                             |                                             |                        |                  |
| At 1 August 2009       | 499,217                                | 2,830,225                   | 217,439                                     | 20,442                 | 3,567,323        |
| Charge for the year    | 46,212                                 | 174,249                     | 10,207                                      | 8,330                  | 238,998          |
| Disposals              | -                                      | (591,432)                   | -                                           | -                      | (591,432)        |
| <b>At 31 July 2010</b> | <b>545,429</b>                         | <b>2,413,042</b>            | <b>227,646</b>                              | <b>28,772</b>          | <b>3,214,889</b> |
| <b>NET BOOK VALUE</b>  |                                        |                             |                                             |                        |                  |
| At 31 July 2010        | 1,995,154                              | 708,837                     | 25,676                                      | 18,048                 | 2,747,715        |
| <b>At 31 July 2009</b> | <b>2,041,366</b>                       | <b>595,820</b>              | <b>24,906</b>                               | <b>26,378</b>          | <b>2,688,470</b> |

Included above are assets held under finance leases or hire purchase contracts as follows

|                                        | Plant and<br>machinery<br>£ |
|----------------------------------------|-----------------------------|
| <b>Net book values</b>                 |                             |
| At 31 July 2010                        | 542,552                     |
| <b>At 31 July 2009</b>                 | <b>329,729</b>              |
| <b>Deprecation charge for the year</b> |                             |
| At 31 July 2010                        | 64,177                      |
| <b>At 31 July 2009</b>                 | <b>46,631</b>               |

**9 STOCKS AND WORK IN PROGRESS**

|                                     | 2010<br>£     | 2009<br>£      |
|-------------------------------------|---------------|----------------|
| Raw materials and consumables       | 54,120        | 45,842         |
| Work in progress                    | 35,688        | 33,170         |
| Finished goods and goods for resale | 5,061         | 38,915         |
|                                     | <b>94,869</b> | <b>117,927</b> |

**Stratford Tools Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 July 2010**

|           |                                                                  |                |                |
|-----------|------------------------------------------------------------------|----------------|----------------|
| <b>10</b> | <b>DEBTORS</b>                                                   | <b>2010</b>    | <b>2009</b>    |
|           |                                                                  | <b>£</b>       | <b>£</b>       |
|           | Trade debtors                                                    | 805,772        | 438,106        |
|           | Corporation tax recoverable                                      | 5,857          | -              |
|           | Other debtors                                                    | 4,287          | 13,337         |
|           | Prepayments and accrued income                                   | 16,622         | 77,100         |
|           |                                                                  | <u>832,538</u> | <u>528,543</u> |
| <b>11</b> | <b>CREDITORS Amounts falling due within one year</b>             | <b>2010</b>    | <b>2009</b>    |
|           |                                                                  | <b>£</b>       | <b>£</b>       |
|           | Net obligations under finance leases and hire purchase contracts | 132,840        | 92,017         |
|           | Other loans                                                      | 200,000        | -              |
|           | Trade creditors                                                  | 279,304        | 203,235        |
|           | Corporation tax                                                  | -              | 2,542          |
|           | Other taxes and social security costs                            | 147,197        | 85,260         |
|           | Other creditors                                                  | 53,868         | 51,742         |
|           | Accruals and deferred income                                     | 36,687         | 27,144         |
|           |                                                                  | <u>849,896</u> | <u>461,940</u> |
| <b>12</b> | <b>CREDITORS Amounts falling due after more than one year</b>    | <b>2010</b>    | <b>2009</b>    |
|           |                                                                  | <b>£</b>       | <b>£</b>       |
|           | Bank loans                                                       | -              | -              |
|           | Other loans                                                      | 100,000        | 300,000        |
|           | Net obligations under finance leases and hire purchase contracts | 219,081        | 160,191        |
|           |                                                                  | <u>319,081</u> | <u>460,191</u> |
|           | Analysis of loans                                                |                |                |
|           | Wholly repayable within five years                               | 300,000        | 300,000        |
|           |                                                                  | <u>300,000</u> | <u>300,000</u> |
|           | Included in current liabilities                                  | 200,000        | -              |
|           |                                                                  | <u>100,000</u> | <u>300,000</u> |
|           | Loan maturity analysis                                           |                |                |
|           | In more than one year but not more than two years                | 100,000        | 300,000        |
|           |                                                                  | <u>100,000</u> | <u>300,000</u> |

The loan from the director of £300,000 is interest free and unsecured

Obligation under finance leases and hire purchase contracts are secured by the related assets

**Stratford Tools Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2010

|    |                                                                                                                                                                                                                                                                                                                                                             |                |                             |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------|
| 12 | <b>CREDITORS</b> Amounts falling due after more than one year (continued)                                                                                                                                                                                                                                                                                   | 2010<br>£      | 2009<br>£                   |
|    | Net obligations under finance leases and hire purchase contracts                                                                                                                                                                                                                                                                                            |                |                             |
|    | Repayable within one year                                                                                                                                                                                                                                                                                                                                   | 132,840        | 92,017                      |
|    | Repayable between one and five years                                                                                                                                                                                                                                                                                                                        | 219,081        | 160,191                     |
|    |                                                                                                                                                                                                                                                                                                                                                             | <u>351,921</u> | <u>252,208</u>              |
|    | Included in liabilities falling due within one year                                                                                                                                                                                                                                                                                                         | (132,840)      | (92,017)                    |
|    |                                                                                                                                                                                                                                                                                                                                                             | <u>219,081</u> | <u>160,191</u>              |
| 13 | <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>                                                                                                                                                                                                                                                                                                               |                | Deferred tax liability<br>£ |
|    | Balance at 1 August 2009                                                                                                                                                                                                                                                                                                                                    |                | 78,861                      |
|    | Transfer from profit and loss account                                                                                                                                                                                                                                                                                                                       |                | 12,480                      |
|    | At 31 July 2010                                                                                                                                                                                                                                                                                                                                             |                | <u>91,341</u>               |
|    |                                                                                                                                                                                                                                                                                                                                                             | 2010<br>£      | 2009<br>£                   |
|    | The deferred tax liability is made up as follows                                                                                                                                                                                                                                                                                                            |                |                             |
|    | Accelerated capital allowances                                                                                                                                                                                                                                                                                                                              | 91,341         | 78,861                      |
|    |                                                                                                                                                                                                                                                                                                                                                             | <u>91,341</u>  | <u>78,861</u>               |
|    | Deferred tax has not been provided in respect of gains realised that have been rolled over into the acquisition cost of replacement assets. This tax will become payable if the replacement assets are sold and further similar relief is not obtained. The estimated amount of tax that would become payable in these circumstances is £61,106.            |                |                             |
| 14 | <b>PENSION COSTS</b>                                                                                                                                                                                                                                                                                                                                        |                |                             |
|    | Defined contribution                                                                                                                                                                                                                                                                                                                                        |                |                             |
|    | 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 represents contributions payable by the company to the fund. At the year end the company had outstanding contributions amounting to £5,323 (2009 £5,433). |                |                             |
|    |                                                                                                                                                                                                                                                                                                                                                             | 2010<br>£      | 2009<br>£                   |
|    | Contributions payable by the company for the year                                                                                                                                                                                                                                                                                                           | 32,153         | 34,863                      |
|    |                                                                                                                                                                                                                                                                                                                                                             | <u>32,153</u>  | <u>34,863</u>               |

# Stratford Tools Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2010

|    |                                                                                                                                                                                                     |           |                                 |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------|
| 15 | SHARE CAPITAL                                                                                                                                                                                       | 2010<br>£ | 2009<br>£                       |
|    | Allotted, called up and fully paid<br>12,400 Ordinary shares of £1 each                                                                                                                             | 12,400    | 12,400                          |
| 16 | STATEMENT OF MOVEMENT ON RESERVES                                                                                                                                                                   |           | Profit and loss<br>account<br>£ |
|    | Balance at 1 August 2009                                                                                                                                                                            |           | 2,454,893                       |
|    | Profit for the year                                                                                                                                                                                 |           | 14,245                          |
|    | Balance at 31 July 2010                                                                                                                                                                             |           | 2,469,138                       |
| 17 | RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS                                                                                                                                                  | 2010<br>£ | 2009<br>£                       |
|    | Profit/(loss) for the financial year                                                                                                                                                                | 14,245    | (25,084)                        |
|    | Opening shareholders' funds                                                                                                                                                                         | 2,467,293 | 2,492,377                       |
|    | Closing shareholders' funds                                                                                                                                                                         | 2,481,538 | 2,467,293                       |
| 18 | CONTROL                                                                                                                                                                                             |           |                                 |
|    | At 31 July 2010 the company was controlled by G Cooke                                                                                                                                               |           |                                 |
| 19 | RELATED PARTY TRANSACTIONS                                                                                                                                                                          |           |                                 |
|    | As at 31 July 2009 and 2010, G Cooke, a director, had loaned the company £300,000 interest free. The company intends to begin repaying this loan from December 2010 at a rate of £25,000 per month. |           |                                 |