



Accountants &
business advisers

MORRIS & CO (HANDLERS) LIMITED

(Company Number 1240380)

ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2010

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MORRIS & CO (HANDLERS) LIMITED

COMPANY INFORMATION

Director	A E Morris
Company secretary	B A Morris
Company number	1240380
Registered office	Bankwood Lane Rossington South Yorkshire DN11 0PS DN11 0PS

MORRIS & CO (HANDLERS) LIMITED

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MORRIS & CO (HANDLERS) LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

The director presents his report and the financial statements for the year ended 30 September 2010

Principal activities

The principal activity of the company during the year was the sale of salvaged and reclaimed materials

Director

The director who served during the year was

A E Morris

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

This report was approved by the board on 15 March 2011 and signed on its behalf

B A Morris
Secretary

A handwritten signature in black ink, consisting of a large, stylized 'B' followed by a horizontal line extending to the right.

MORRIS & CO (HANDLERS) LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE
UNAUDITED FINANCIAL STATEMENTS OF MORRIS & CO (HANDLERS) LIMITED**

In accordance with the engagement letter dated 30 September 2009 and in order to assist you to fulfil your duties under the Companies Act 2006 we have compiled the financial statements of the company for the year ended 30 September 2010, which comprise the profit and loss account, the balance sheet and the related notes, from the accounting records and information and explanations you have given to us

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed 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's board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

PKF (UK) LLP
Sheffield

PKF (UK) LLP

16 March 2011

MORRIS & CO (HANDLERS) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	Note	2010 £	2009 £
TURNOVER	1,2	6,416,043	3,815,089
Cost of sales		(6,208,282)	(3,639,339)
GROSS PROFIT		207,761	175,750
Administrative expenses		(188,625)	(124,350)
OPERATING PROFIT	3	19,136	51,400
Interest payable and similar charges		(62,738)	(59,499)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(43,602)	(8,099)
Tax on loss on ordinary activities	4	6,267	(1,021)
LOSS FOR THE FINANCIAL YEAR	11	(37,335)	(9,120)

The notes on pages 5 to 10 form part of these financial statements

MORRIS & CO (HANDLERS) LIMITED
REGISTERED NUMBER: 1240380

BALANCE SHEET
AS AT 30 SEPTEMBER 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Tangible assets	5		1,415,402		1,512,552
CURRENT ASSETS					
Stocks		66,250		51,700	
Debtors	6	515,577		220,071	
Cash at bank		24,099		36,829	
		<u>605,926</u>		<u>308,600</u>	
CREDITORS: amounts falling due within one year	7	<u>(1,069,001)</u>		<u>(912,435)</u>	
NET CURRENT LIABILITIES			<u>(463,075)</u>		<u>(603,835)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>952,327</u>		<u>908,717</u>
CREDITORS: amounts falling due after more than one year	8		<u>(719,671)</u>		<u>(634,849)</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	9		<u>(109,513)</u>		<u>(113,390)</u>
NET ASSETS			<u><u>123,143</u></u>		<u><u>160,478</u></u>
CAPITAL AND RESERVES					
Called up share capital	10		250		250
Capital redemption reserve	11		250		250
Profit and loss account	11		122,643		159,978
SHAREHOLDERS' FUNDS			<u><u>123,143</u></u>		<u><u>160,478</u></u>

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 September 2010 and of its loss for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 March 2011.

A E Morris
Director

The notes on pages 5 to 10 form part of these financial statements

MORRIS & CO (HANDLERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, 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 not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & machinery	-	10% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	25% straight line
Buildings	-	4% straight line

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 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.6 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.

MORRIS & CO (HANDLERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

1. ACCOUNTING POLICIES (continued)

1.7 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. TURNOVER

All turnover arose within the United Kingdom

3. OPERATING PROFIT

The operating profit is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets		
- owned by the company	123,029	76,341
- held under finance leases	46,419	67,469
Pension costs	7,200	7,000
	<u>176,648</u>	<u>150,819</u>

During the year, no director received any emoluments (2009 - £NIL)

4. TAXATION

	2010 £	2009 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax (credit)/charge on loss for the year	(2,390)	2,346
Deferred tax (see note 9)		
Origination and reversal of timing differences	(3,877)	(1,325)
Tax on loss on ordinary activities	<u>(6,267)</u>	<u>1,021</u>

MORRIS & CO (HANDLERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Other fixed assets £	Total £
Cost			
At 1 October 2009	591,195	1,519,538	2,110,733
Additions	-	72,298	72,298
	<u>591,195</u>	<u>1,591,836</u>	<u>2,183,031</u>
At 30 September 2010			
Depreciation			
At 1 October 2009	36,569	561,612	598,181
Charge for the year	12,698	156,750	169,448
	<u>49,267</u>	<u>718,362</u>	<u>767,629</u>
At 30 September 2010			
Net book value			
At 30 September 2010	<u>541,928</u>	<u>873,474</u>	<u>1,415,402</u>
At 30 September 2009	<u>554,626</u>	<u>957,926</u>	<u>1,512,552</u>

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

	2010 £	2009 £
Plant and machinery	<u>387,459</u>	<u>478,565</u>

Included in land and buildings is freehold land at cost of £264,224 (2009 £264,224) which is not depreciated

6 DEBTORS

	2010 £	2009 £
Trade debtors	448,184	103,065
Other debtors	67,393	117,006
	<u>515,577</u>	<u>220,071</u>

MORRIS & CO (HANDLERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

7. CREDITORS:

Amounts falling due within one year

	2010 £	2009 £
Bank loans and overdrafts	327,823	404,840
Other loans	-	32,000
Net obligations under finance leases and hire purchase contracts	133,901	185,119
Trade creditors	370,848	213,502
Corporation tax	-	2,346
Social security and other taxes	155,470	55,103
Other creditors	80,959	19,525
	<u>1,069,001</u>	<u>912,435</u>

8 CREDITORS:

Amounts falling due after more than one year

	2010 £	2009 £
Bank loans	610,190	451,977
Net obligations under finance leases and hire purchase contracts	109,481	182,872
	<u>719,671</u>	<u>634,849</u>

Creditors include amounts not wholly repayable within 5 years as follows

	2010 £	2009 £
Bank loans	403,962	230,298

Bank loans and overdrafts are secured against the business property and additionally there is a charge over the other assets of the company

Bank loans are repaid by monthly installments. A variable rate of interest is charged on the loan

Finance leases and hire purchase creditors are secured on the assets concerned

MORRIS & CO (HANDLERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

9. DEFERRED TAXATION

	2010 £	2009 £
At beginning of year	113,390	114,715
Released during year	(3,877)	(1,325)
At end of year	<u>109,513</u>	<u>113,390</u>

The provision for deferred taxation is made up as follows

	2010 £	2009 £
Accelerated capital allowances	<u>109,513</u>	<u>113,390</u>

10. SHARE CAPITAL

	2010 £	2009 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
250 Ordinary shares of £1 each	<u>250</u>	<u>250</u>

11. RESERVES

	Capital redempt'n reserve £	Profit and loss account £
At 1 October 2009	250	159,978
Loss for the year		(37,335)
At 30 September 2010	<u>250</u>	<u>122,643</u>

12. PENSION COMMITMENTS

The company operates a defined contributions 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 and amounted to **£7,200** (2009 - £7,000).

MORRIS & CO (HANDLERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

13. RELATED PARTY TRANSACTIONS

A E Morris has personally guaranteed borrowings of the company amounting to **£300,000** (2009-£300,000)

Included within debtors is a loan of **£64,472** (2009 £74,505) due from A E Morris Limited, a company in which A E Morris, a director of the company is a major shareholder

Purchases from AEM Lifting Limited, a company in which A E Morris is a director, in the year amounted to **£425** (2009 - £NIL) Included in creditors at the year end is a balance outstanding of **£61,100** (2009 - £61,100)

Creditors include a loan of **£Nil** (2009 - £32,000) due to AEM Lifting Limited

Creditors include **£8,134** (2009 £8,134) due to A E Morris and **£65,333** (2009 £3,900) due to his wife Mrs B Morris

14. ULTIMATE CONTROLLING PARTY

The company is controlled by A E Morris