

register

3497488

**Report of the Directors and
Financial Statements for the Year Ended 31 March 2011
for
Direct Trade (Yorkshire) Limited**



Direct Trade (Yorkshire) Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2011**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Financial Statements	10
Trading and Profit and Loss Account	18

Direct Trade (Yorkshire) Limited

**Company Information
for the Year Ended 31 March 2011**

DIRECTORS

Mr S P Green
Mrs L J Gornall
Mr D A Girling
Mr D P Colton

SECRETARY:

Mrs L J Gornall

REGISTERED OFFICE.

Unit 3
Sandall Carr Road
Kirk Sandall
Doncaster
South Yorkshire
DN3 1QL

REGISTERED NUMBER

3497488 (England and Wales)

AUDITORS:

Sochall Smith Limited
Chartered Accountants &
Registered Auditors
4 Park Square
Newton Chambers Road
Chapelton
Sheffield
South Yorkshire
S35 2PH

Direct Trade (Yorkshire) Limited

Report of the Directors for the Year Ended 31 March 2011

The directors present their report with the financial statements of the company for the year ended 31 March 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacturers and distributors of U P V C window frames, doors and conservatories

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

The company has achieved a turnover increase of 20% through continuing expansion of its customer base and the geographical areas served, while being able to maintain a steady gross profit margin of 31% The additional volume has required an increase in staff numbers and related costs resulting in a lower net profit for the year

The company continues to perform well despite the general economic situation and is able to respond appropriately to movements either way in demand for its products

DIVIDENDS

An interim dividend of £1,200 per share was paid on 31 March 2011 The directors recommend that no final dividend be paid

The total distribution of dividends for the year ended 31 March 2011 will be £60,000

DIRECTOR

Mr S P Green held office during the whole of the period from 1 April 2010 to the date of this report

Other changes in directors holding office are as follows

Mrs L J Gornall , Mr D A Girling and Mr D P Colton were appointed as directors after 31 March 2011 but prior to the date of this report

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting 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 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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information


Direct Trade (Yorkshire) Limited

**Report of the Directors
for the Year Ended 31 March 2011**

AUDITORS

The auditors, Sochall Smith Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'S P Green', with a long horizontal stroke extending to the right.

Mr S P Green - Director

7 October 2011

**Report of the Independent Auditors to the Shareholders of
Direct Trade (Yorkshire) Limited**

We have audited the financial statements of Direct Trade (Yorkshire) Limited for the year ended 31 March 2011 on pages five to seventeen. 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 a Report of the Auditors 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 explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 March 2011 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 Report of the Directors 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.

Duncan J Paylor (Senior Statutory Auditor)
for and on behalf of Sochall Smith Limited
Chartered Accountants &
Registered Auditors
4 Park Square
Newton Chambers Road
Chapelton
Sheffield
South Yorkshire
S35 2PH

7 October 2011

Direct Trade (Yorkshire) Limited

**Profit and Loss Account
for the Year Ended 31 March 2011**

	Notes	2011 £	2010 £
TURNOVER		9,952,320	8,262,172
Cost of sales		<u>6,869,262</u>	<u>5,699,485</u>
GROSS PROFIT		3,083,058	2,562,687
Administrative expenses		<u>2,630,331</u>	<u>2,043,297</u>
OPERATING PROFIT	3	452,727	519,390
Interest receivable and similar income		<u>1,913</u>	<u>8,471</u>
		454,640	527,861
Interest payable and similar charges	4	<u>30,653</u>	<u>24,298</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		423,987	503,563
Tax on profit on ordinary activities	5	<u>107,450</u>	<u>138,324</u>
PROFIT FOR THE FINANCIAL YEAR		<u>316,537</u>	<u>365,239</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

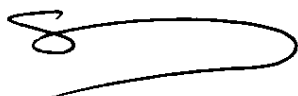
The notes form part of these financial statements

Direct Trade (Yorkshire) Limited

**Balance Sheet
31 March 2011**

	Notes	2011 £	£	2010 £	£
FIXED ASSETS					
Tangible assets	7		773,476		830,188
CURRENT ASSETS					
Stocks	8	298,956		283,477	
Debtors	9	859,403		763,537	
Cash at bank and in hand		406,979		312,964	
		<u>1,565,338</u>		<u>1,359,978</u>	
CREDITORS					
Amounts falling due within one year	10	<u>1,310,922</u>		<u>1,315,252</u>	
NET CURRENT ASSETS			<u>254,416</u>		<u>44,726</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,027,892		874,914
CREDITORS					
Amounts falling due after more than one year	11		(108,464)		(243,056)
PROVISIONS FOR LIABILITIES	15		<u>(158,121)</u>		<u>(127 088)</u>
NET ASSETS			<u><u>761,307</u></u>		<u><u>504,770</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		50		50
Capital redemption reserve	17		50		50
Profit and loss account	17		761,207		504,670
SHAREHOLDERS' FUNDS	20		<u><u>761,307</u></u>		<u><u>504,770</u></u>

The financial statements were approved by the Board of Directors on 7 October 2011 and were signed on its behalf by



Mr S P Green - Director

The notes form part of these financial statements

Direct Trade (Yorkshire) Limited

**Cash Flow Statement
for the Year Ended 31 March 2011**

	Notes	2011 £	£	2010 £	£
Net cash inflow from operating activities	1		755,683		627,802
Returns on investments and servicing of finance	2		(28,740)		(15,827)
Taxation			(104,593)		(21,252)
Capital expenditure	2		(174,403)		(379,282)
Equity dividends paid			(60,000)		(266,730)
			<u>387,947</u>		<u>(55,289)</u>
Financing	2		(293,932)		171,933
Increase in cash in the period			<u>94,015</u>		<u>116,644</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		94,015		116,644	
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		<u>207,553</u>		<u>(16,934)</u>	
Change in net debt resulting from cash flows			<u>301,568</u>		<u>99,710</u>
Movement in net debt in the period			301,568		99,710
Net debt at 1 April			<u>(187,395)</u>		<u>(287,105)</u>
Net funds/(debt) at 31 March			<u>114,173</u>		<u>(187,395)</u>

The notes form part of these financial statements

Direct Trade (Yorkshire) Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2011**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	452,727	519,390
Depreciation charges	220,139	184,094
Loss on disposal of fixed assets	10,977	4,553
Increase in stocks	(15,479)	(70,200)
Increase in debtors	(95,866)	(90,916)
Increase in creditors	183,185	80,881
Net cash inflow from operating activities	755,683	627,802

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	1,913	8,471
Interest paid	(468)	(2,564)
Interest element of hire purchase payments	(30,185)	(21,734)
Net cash outflow for returns on investments and servicing of finance	(28,740)	(15,827)
 Capital expenditure		
Purchase of tangible fixed assets	(191,718)	(392,554)
Sale of tangible fixed assets	17,315	13,272
Net cash outflow for capital expenditure	(174,403)	(379,282)
 Financing		
Capital repayments in year	(177,554)	46,933
Amount introduced by directors	-	125,000
Amount withdrawn by directors	(116,378)	-
Net cash (outflow)/inflow from financing	(293,932)	171,933

The notes form part of these financial statements

Direct Trade (Yorkshire) Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2011**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/10 £	Cash flow £	At 31/3/11 £
Net cash			
Cash at bank and in hand	312,964	94,015	406,979
	<u>312,964</u>	<u>94,015</u>	<u>406,979</u>
Debt			
Hire purchase	(449,605)	156,799	(292,806)
Debts falling due within one year	(50,754)	50,754	-
	<u>(500,359)</u>	<u>207,553</u>	<u>(292,806)</u>
Total	<u>(187,395)</u>	<u>301,568</u>	<u>114,173</u>

The notes form part of these financial statements

Direct Trade (Yorkshire) Limited

**Notes to the Financial Statements
for the Year Ended 31 March 2011**

ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents net sales of goods despatched in the period, excluding value added tax and trade discounts and derives from the ordinary activities of the business

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Leasehold property	- Over the term of the lease
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 25% on cost and 25% on reducing balance
Motor vehicles	- 25% on cost

Property, plant and equipment is stated at cost, less accumulated depreciation

Stocks

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

Deferred tax

Deferred tax is provided in full in respect of all timing differences that have originated, but are not reversed at the balance sheet date except for

- revaluation gains and losses unless, by the balance sheet date, the company has entered into a binding agreement to sell the asset and has revalued the asset to the selling price, and
- taxable gains arising on revaluations or sales if it is more likely than not that the gain will be rolled over into a replacement asset

Deferred tax assets are recognised in respect of losses where it is considered more likely than not that future profits will be available for offset

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Obligations under operating lease commitments are charged to the profit and loss account as they are incurred.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Direct Trade (Yorkshire) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

2 STAFF COSTS

	2011 £	2010 £
Wages and salaries	2,382,750	1,960,235
Social security costs	225,647	189,734
Other pension costs	36,000	36,000
	<u>2,644,397</u>	<u>2,185,969</u>

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

	2011	2010
Management	24	21
Administration	23	20
Factory	67	57
	<u>114</u>	<u>98</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	2011 £	2010 £
Depreciation - owned assets	73,505	75,615
Depreciation - assets on hire purchase contracts	146,633	108,479
Loss on disposal of fixed assets	10,977	4,553
Auditors' remuneration	9,120	8,385
Operating leases Hire of plant and machinery	61,310	49,086
Operating leases Hire of other assets	152,500	143,830
	<u>29,546</u>	36,080
Director's remuneration	36,000	36,000
Director's pension contributions to money purchase schemes	<u>36,000</u>	<u>36,000</u>

The number of directors to whom retirement benefits were accruing was as follows

	2011	2010
Money purchase schemes	<u>1</u>	<u>1</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Loan	468	2,564
Hire purchase	30,185	21,734
	<u>30,653</u>	<u>24,298</u>

Direct Trade (Yorkshire) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2011	2010
	£	£
Current tax		
UK corporation tax	106,417	104,593
Deferred tax	1,033	33,731
Tax on profit on ordinary activities	<u>107,450</u>	<u>138,324</u>

UK corporation tax has been charged at 28% (2010 - 28%)

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2011	2010
	£	£
Profit on ordinary activities before tax	<u>423,987</u>	<u>503,563</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 - 28%)	118,716	140,998
Effects of		
Expenses not deductible for tax purposes	6,623	5,607
Capital allowances for period in excess of depreciation	(476)	(23,459)
Marginal relief	(18,446)	(18,553)
Current tax charge	<u>106,417</u>	<u>104,593</u>

6 DIVIDENDS

	2011	2010
	£	£
Ordinary shares of £1 each		
Interim	<u>60,000</u>	<u>266,730</u>

Direct Trade (Yorkshire) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

7 TANGIBLE FIXED ASSETS

	Leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2010	21,728	1,128,979	291,587	205,553	1,647,847
Additions	-	77,027	68,396	46,295	191,718
Disposals	-	(25,569)	(2,995)	(48,662)	(77,226)
At 31 March 2011	<u>21,728</u>	<u>1,180,437</u>	<u>356,988</u>	<u>203,186</u>	<u>1,762,339</u>
DEPRECIATION					
At 1 April 2010	6,574	561,818	152,850	96,417	817,659
Charge for year	3,373	125,357	49,961	41,447	220,138
Eliminated on disposal	-	(17,379)	(686)	(30,869)	(48,934)
At 31 March 2011	<u>9,947</u>	<u>669,796</u>	<u>202,125</u>	<u>106,995</u>	<u>988,863</u>
NET BOOK VALUE					
At 31 March 2011	<u>11,781</u>	<u>510,641</u>	<u>154,863</u>	<u>96,191</u>	<u>773,476</u>
At 31 March 2010	<u>15,154</u>	<u>567,161</u>	<u>138,737</u>	<u>109,136</u>	<u>830,188</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2010	581,637	122,475	127,715	831,827
Additions	73,000	-	27,445	100,445
Disposals	(12,980)	-	(18,718)	(31,698)
At 31 March 2011	<u>641,657</u>	<u>122,475</u>	<u>136,442</u>	<u>900,574</u>
DEPRECIATION				
At 1 April 2010	167,764	46,684	36,622	251,070
Charge for year	94,075	19,810	32,748	146,633
Eliminated on disposal	(6,334)	-	(4,290)	(10,624)
At 31 March 2011	<u>255,505</u>	<u>66,494</u>	<u>65,080</u>	<u>387,079</u>
NET BOOK VALUE				
At 31 March 2011	<u>386,152</u>	<u>55,981</u>	<u>71,362</u>	<u>513,495</u>
At 31 March 2010	<u>413,873</u>	<u>75,791</u>	<u>91,093</u>	<u>580,757</u>

Direct Trade (Yorkshire) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

8 STOCKS

	2011	2010
	£	£
Raw materials	175,986	195,886
Work in progress	33,004	31,737
Finished goods	89,966	55,854
	<u>298,956</u>	<u>283,477</u>

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade debtors	732,776	625,240
Prepayments & accrued income	126,627	138,297
	<u>859,403</u>	<u>763,537</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Bank loans and overdrafts (see note 12)	-	50,754
Hire purchase contracts (see note 13)	184,342	206,549
Trade creditors	698,509	606,626
Corporation tax	106,417	104,593
Social security and other taxes	235,128	156,780
Director's current account	8,622	125,000
Accrued expenses	77,904	64,950
	<u>1,310,922</u>	<u>1,315,252</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011	2010
	£	£
Hire purchase contracts (see note 13)	<u>108,464</u>	<u>243,056</u>

12 LOANS

An analysis of the maturity of loans is given below

	2011	2010
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u>-</u>	<u>50,754</u>

Direct Trade (Yorkshire) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

13 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2011	2010
	£	£
Net obligations repayable		
Within one year	184,342	206,549
Between one and five years	108,464	243,056
	<u>292,806</u>	<u>449,605</u>

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2011	2010	2011	2010
	£	£	£	£
Expiring				
Within one year	-	-	4,735	611
Between one and five years	152,500	152,500	56,774	28,521
	<u>152,500</u>	<u>152,500</u>	<u>61,509</u>	<u>29,132</u>

14 SECURED DEBTS

The following secured debts are included within creditors

	2011	2010
	£	£
Bank loans	-	50,754
Hire purchase contracts	292,806	449,605
	<u>292,806</u>	<u>500,359</u>

Hire purchase loans are secured on the assets to which they relate

15 PROVISIONS FOR LIABILITIES

	2011	2010
	£	£
Deferred tax	63,121	62,088
Future dilapidations	95,000	65,000
	<u>158,121</u>	<u>127,088</u>

Direct Trade (Yorkshire) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

15 PROVISIONS FOR LIABILITIES - continued

	Deferred tax £	Future dilapidati ons £
Balance at 1 April 2010	62,088	65,000
Accelerated capital allowances	1,033	-
Accrued in period	-	30,000
	<u>63,121</u>	<u>95,000</u>
Balance at 31 March 2011	<u>63,121</u>	<u>95,000</u>

Future dilapidations are accruing at £2,500 per month on the leasehold property and will become payable when the lease expires in 2014

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class	Nominal value £1	2011 £	2010 £
100	Ordinary		50	50
			<u>50</u>	<u>50</u>

17 RESERVES

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 April 2010	504,670	50	504,720
Profit for the year	316,537		316,537
Dividends	(60,000)		(60,000)
	<u>761,207</u>	<u>50</u>	<u>761,257</u>
At 31 March 2011	<u>761,207</u>	<u>50</u>	<u>761,257</u>

18 RELATED PARTY DISCLOSURES

At 31 March 2011 the company owed £8,622 (2010 £125,000) to the director, Mr S P Green

A dividend of £60,000 was paid to Mr S P Green in the year

19 ULTIMATE CONTROLLING PARTY

The company's issued share capital is under the ultimate control of Mr S P Green, a director

Direct Trade (Yorkshire) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

20	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2011	2010
		£	£
	Profit for the financial year	316,537	365,239
	Dividends	(60,000)	(266,730)
		<hr/>	<hr/>
	Net addition to shareholders' funds	256,537	98,509
	Opening shareholders' funds	504,770	406,261
		<hr/>	<hr/>
	Closing shareholders' funds	761,307	504,770
		<hr/>	<hr/>