

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011
FOR
B NEBBETT AND SON LIMITED

Scodie Deyong LLP
Chartered Accountants
Registered Auditors
2nd Floor
85 Frampton Street
London
NW8 8NQ

TUESDAY



**CONTENTS OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditors on the Abbreviated Accounts	4
Abbreviated Profit and Loss Account	5
Abbreviated Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Abbreviated Accounts	10

B NEBBETT AND SON LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

DIRECTOR: S Nebbett

SECRETARY Mrs R J Nebbett

REGISTERED OFFICE: 2nd Floor
85 Frampton Street
London
NW8 8NQ

REGISTERED NUMBER: 04535453 (England and Wales)

AUDITORS: Scodie Deyong LLP
Chartered Accountants
Registered Auditors
2nd Floor
85 Frampton Street
London
NW8 8NQ

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

The director presents his report with the accounts of the company for the year ended 30 September 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of metal processors and the provision of waste disposal services

REVIEW OF BUSINESS

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

Company performance during the year under review has been promising. The global metal market has recovered well since 2008 when the global recession brought significant price attrition across the industry. Improving commodity prices have led to increased turnover for the company (up 35% on the previous year) and a healthier net profit.

In addition to maximising revenue from fully participating in the insurgent market, the company has continued to invest in its plant base to ensure that turnover and profits can grow further as the global economy emerges from the recession.

The company uses a number of key financial performance indicators in assessing and driving performance. The key financial performance indicators used by the company are

	2011 £'000	2010 £'000
Sales	42,339	31,395
Gross margin	16.42%	17.42%
Debtor days	18.34	22.26

The company also utilises a number of non-financial performance indicators which demonstrate its continuing focus on environmental and health and safety matters. In particular the company recognises its responsibilities in ensuring that appropriate steps are taken to ensure the health, safety and welfare of employees and visitors. The director is pleased to report that the company's performance in these non-financial areas remained in line with the high standards required throughout the year under review.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The management of the company and the execution of the chosen strategy are subject to a number of risks.

Metal price risk

Exposure to fluctuations in global metal prices is limited by the company's policy of holding a low level of stock and ensuring that the stock holding period remains short.

Credit risk

The company seeks to manage the risk of customers defaulting through the use of stringent customer acceptance thresholds and credit limits. In addition a number of approaches are utilised including payment in advance where appropriate.

DIVIDENDS

No dividends will be distributed for the year ended 30 September 2011.

DIRECTOR

S Nebbett was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	30.9.11 76	1.10.10 76
Ordinary £1 shares		

The director's wife, Mrs R J Nebbett, held the remaining issued share capital of the company.

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 director is 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 he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Scodie Deyong LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD.



S Nebbett - Director

9 March 2012

**REPORT OF THE INDEPENDENT AUDITORS TO
B NEBBETT AND SON LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages five to sixteen, together with the full financial statements of B Nebbett and Son Limited for the year ended 30 September 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

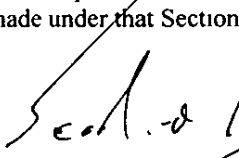
The director is responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated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

Basis of opinion

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

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.



Simon Sefton ACA (Senior Statutory Auditor)
for and on behalf of Scodie Deyong LLP
Chartered Accountants
Registered Auditors
2nd Floor
85 Frampton Street
London
NW8 8NQ

9 March 2012

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	Notes	2011 £	2010 £
TURNOVER	2	42,338,857	31,395,057
Cost of sales		(38,564,997)	(28,605,343)
		<hr/> 3,773,860	<hr/> 2,789,714
Administrative expenses		<hr/> 1,394,246	<hr/> 1,723,792
OPERATING PROFIT	4	<hr/> 2,379,614	<hr/> 1,065,922
Interest receivable and similar income		<hr/> 1,390	<hr/> 12
		<hr/> 2,381,004	<hr/> 1,065,934
Interest payable and similar charges	5	<hr/> 45,114	<hr/> 53,797
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/> 2,335,890	<hr/> 1,012,137
Tax on profit on ordinary activities	6	<hr/> 626,683	<hr/> 304,587
PROFIT FOR THE FINANCIAL YEAR		<hr/> <hr/> 1,709,207	<hr/> <hr/> 707,550

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

B NEBBETT AND SON LIMITED (REGISTERED NUMBER: 04535453)**ABBREVIATED BALANCE SHEET
30 SEPTEMBER 2011**

	Notes	2011 £	2010 £
FIXED ASSETS			
Intangible assets	8	44,000	48,000
Tangible assets	9	3,569,264	3,122,729
		<u>3,613,264</u>	<u>3,170,729</u>
CURRENT ASSETS			
Stocks	10	305,535	220,000
Debtors	11	2,355,657	2,038,592
Cash at bank and in hand		3,384,776	2,238,338
		<u>6,045,968</u>	<u>4,496,930</u>
CREDITORS			
Amounts falling due within one year	12	2,526,967	2,351,477
NET CURRENT ASSETS		<u>3,519,001</u>	<u>2,145,453</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,132,265</u>	<u>5,316,182</u>
CREDITORS			
Amounts falling due after more than one year	13	(505,222)	(378,653)
PROVISIONS FOR LIABILITIES	16	(17,722)	(37,415)
NET ASSETS		<u><u>6,609,321</u></u>	<u><u>4,900,114</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	100	100
Profit and loss account	18	6,609,221	4,900,014
SHAREHOLDERS' FUNDS	21	<u><u>6,609,321</u></u>	<u><u>4,900,114</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the director on 9 March 2012 and were signed by



S Nebbett - Director

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	Notes	2011 £	2010 £
Net cash inflow from operating activities	1	3,159,954	1,591,431
Returns on investments and servicing of finance	2	(43,725)	(53,785)
Taxation		(862,938)	(172,668)
Capital expenditure	2	(661,383)	(93,653)
Equity dividends paid		-	(166,170)
		<u>1,591,908</u>	<u>1,105,155</u>
Financing	2	(445,470)	(40,724)
Increase in cash in the period		<u>1,146,438</u>	<u>1,064,431</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		1,146,438	1,064,431
Cash outflow from decrease in debt and lease financing		<u>247,403</u>	<u>210,033</u>
Change in net funds resulting from cash flows		1,393,841	1,274,464
New finance leases		(400,000)	(125,000)
Movement in net funds in the period		<u>993,841</u>	<u>1,149,464</u>
Net funds at 1 October		<u>1,639,614</u>	<u>490,150</u>
Net funds at 30 September		<u>2,633,455</u>	<u>1,639,614</u>

The notes form part of these abbreviated accounts

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

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

	2011 £	2010 £
Operating profit	2,379,614	1,065,922
Depreciation charges	698,873	534,340
(Profit)/Loss on disposal of fixed assets	(80,023)	19,557
Increase in stocks	(85,535)	(44,000)
Increase in debtors	(317,065)	(420,873)
Increase in creditors	564,090	436,485
Net cash inflow from operating activities	3,159,954	1,591,431

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

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	1,390	12
Interest element of hire purchase payments	(45,115)	(53,797)
Net cash outflow for returns on investments and servicing of finance	(43,725)	(53,785)
Capital expenditure		
Purchase of tangible fixed assets	(1,084,871)	(251,653)
Sale of tangible fixed assets	423,488	158,000
Net cash outflow for capital expenditure	(661,383)	(93,653)
Financing		
Capital repayments in year	(247,404)	(210,032)
Amount introduced by directors	-	169,209
Amount withdrawn by directors	(198,066)	-
Share issue	-	99
Net cash outflow from financing	(445,470)	(40,724)

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 10 10 £	Cash flow £	Other non-cash changes £	At 30 9 11 £
Net cash				
Cash at bank and in hand	2,238,338	1,146,438		3,384,776
	<u>2,238,338</u>	<u>1,146,438</u>		<u>3,384,776</u>
Debt				
Hire purchase	(598,724)	247,403	(400,000)	(751,321)
	<u>(598,724)</u>	<u>247,403</u>	<u>(400,000)</u>	<u>(751,321)</u>
Total	<u>1,639,614</u>	<u>1,393,841</u>	<u>(400,000)</u>	<u>2,633,455</u>

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover on ordinary activities represents net invoiced sales of goods, after trade discounts and excluding value added tax

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2002, is being amortised evenly over its estimated useful life of twenty years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- 2% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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

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

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below

	2011 £	2010 £
United Kingdom	40,705,804	30,908,372
Rest of World	1,633,053	486,685
	<u>42,338,857</u>	<u>31,395,057</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

3 STAFF COSTS

	2011 £	2010 £
Wages and salaries	1,279,461	1,632,391
Social security costs	142,101	178,864
	<u>1,421,562</u>	<u>1,811,255</u>

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

	2011	2010
Production and sales	31	30
Office management	5	5
	<u>36</u>	<u>35</u>

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Other operating leases	252,000	252,848
Depreciation - owned assets	694,873	530,340
(Profit)/Loss on disposal of fixed assets	(80,023)	19,557
Goodwill amortisation	4,000	4,000
Auditors' remuneration	13,700	13,750
Foreign exchange differences	(1,452)	-
Vehicle leasing	194,806	180,918
Plant hire	30,086	27,510
Fees paid to auditor for non audit services	5,064	-
	<u>120,000</u>	<u>490,000</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Hire purchase	38,561	50,499
Other interest	6,553	3,298
	<u>45,114</u>	<u>53,797</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

6 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	646,376	312,938
Deferred tax	(19,693)	(8,351)
Tax on profit on ordinary activities	<u>626,683</u>	<u>304,587</u>

Factors affecting the tax charge

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

	2011 £	2010 £
Profit on ordinary activities before tax	<u>2,335,890</u>	<u>1,012,137</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26.997% (2010 - 27.448%)	630,620	277,811
Effects of		
Non deductible expenses	976	423
Depreciation	187,596	146,662
Capital allowances	(151,214)	(117,326)
(Profit)/Loss on disposal of assets	(21,602)	5,368
Current tax charge	<u>646,376</u>	<u>312,938</u>

7 DIVIDENDS

	2011 £	2010 £
Ordinary shares of £1 each		
Interim	-	166,170

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

8 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 October 2010	
and 30 September 2011	80,000
AMORTISATION	
At 1 October 2010	32,000
Amortisation for year	4,000
At 30 September 2011	36,000
NET BOOK VALUE	
At 30 September 2011	44,000
At 30 September 2010	48,000

9 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 October 2010	1,700,000	3,614,971	153,772	192,019	5,660,762
Additions	-	1,234,821	9,964	240,086	1,484,871
Disposals	-	(609,705)	(56,803)	(236,469)	(902,977)
At 30 September 2011	1,700,000	4,240,087	106,933	195,636	6,242,656
DEPRECIATION					
At 1 October 2010	102,000	2,235,993	77,886	122,152	2,538,031
Charge for year	34,000	609,964	8,494	42,415	694,873
Eliminated on disposal	-	(435,758)	(27,578)	(96,176)	(559,512)
At 30 September 2011	136,000	2,410,199	58,802	68,391	2,673,392
NET BOOK VALUE					
At 30 September 2011	1,564,000	1,829,888	48,131	127,245	3,569,264
At 30 September 2010	1,598,000	1,378,978	75,886	69,867	3,122,731

Included in the above are fixed assets on hire purchase with cost totalling £2,424,023 (2010 £1,905,500) and a net book value of £1,197,816 (2010 £819,460). The depreciation charge for the year was £399,272 (2010 £273,154) in relation to these assets.

10 STOCKS

	2011 £	2010 £
Stocks	305,535	220,000

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade debtors	2,126,999	1,914,381
Prepayments and accrued income	228,658	124,211
	<u>2,355,657</u>	<u>2,038,592</u>

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Hire purchase contracts (see note 14)	246,099	220,071
Trade creditors	791,478	283,275
Taxation	249,572	466,134
Social security and other taxes	42,701	295,035
Net wages	11,623	21,231
VAT	58,026	182,610
Other creditors	-	194,802
Director's current account	769	198,835
Accruals and deferred income	1,126,699	489,484
	<u>2,526,967</u>	<u>2,351,477</u>

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Hire purchase contracts (see note 14)	<u>505,222</u>	<u>378,653</u>

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2011 £	2010 £
Net obligations repayable		
Within one year	246,099	220,071
Between one and five years	505,222	378,653
	<u>751,321</u>	<u>598,724</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

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	-	-	212,400	109,346
Between one and five years	-	-	388,323	110,770
In more than five years	156,000	156,000	-	-
	<u>156,000</u>	<u>156,000</u>	<u>600,723</u>	<u>220,116</u>

15 SECURED DEBTS

The following secured debts are included within creditors

	2011 £	2010 £
Hire purchase contracts	<u>751,321</u>	<u>598,724</u>

Obligations under hire purchase contracts are secured on the assets financed

16 PROVISIONS FOR LIABILITIES

	2011 £	2010 £
Deferred tax	<u>17,722</u>	<u>37,415</u>
		Deferred tax £
Balance at 1 October 2010		37,415
Depreciation in excess of capital allowances		<u>(19,693)</u>
Balance at 30 September 2011		<u>17,722</u>

17 CALLED UP SHARE CAPITAL

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

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

18 RESERVES

	Profit and loss account £
At 1 October 2010	4,900,014
Profit for the year	1,709,207
	<u>6,609,221</u>
At 30 September 2011	<u>6,609,221</u>

19 TRANSACTIONS WITH DIRECTOR

During the year the company paid rent totalling £252,000 (2010 £252,848) to S Nebbett Esq in respect of premises occupied

In addition to the above, the director acquired assets from the company during the year with a carrying value of £13,090

20 RELATED PARTY DISCLOSURES

The company regards JPS Metal Recycling ("JPS") as a related party as S Nebbett Esq is a partner of that entity

During the year the company made purchases totalling £1,403,950 (2010 £1,290,148) from JPS, and sold plant and machinery to JPS totalling £25,000 (2010 £nil) At the balance sheet date £3,231 (2010 £nil) was owed to JPS

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial year	1,709,207	707,550
Dividends	-	(166,170)
	<u>1,709,207</u>	<u>541,380</u>
Share capital issued during year	-	99
	<u>1,709,207</u>	<u>541,479</u>
Net addition to shareholders' funds	4,900,114	4,358,635
Opening shareholders' funds	<u>6,609,321</u>	<u>4,900,114</u>
Closing shareholders' funds	<u>6,609,321</u>	<u>4,900,114</u>