

Registered number: 04955870

Thos Storey Fabrications Limited

Directors' Report and Financial Statements
for the year ended 31 December 2011

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Thos Storey Fabrications Limited

Company Information

Directors	F Ellis FCMA J Huggins
Company secretary	F Ellis FCMA
Company number	04955870
Registered office	Stainburn Road Openshaw Manchester M11 2EB
Trading address	Stainburn Road Openshaw Manchester M11 2EB
Auditors	Hurst & Company Accountants LLP Chartered Accountants & Statutory Auditors Lancashire Gate 21 Tiviot Dale Stockport Cheshire SK1 1TD
Bankers	National Westminster Bank Plc PO Box 546 100 Barbirolli Square Manchester M60 2FT

Thos Storey Fabrications Limited

Contents

	Page
Directors' report	1 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 20

Thos Storey Fabrications Limited

Directors' Report for the year ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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.

Principal activities

The principal activities of the company were the manufacture, sale and distribution of high quality steel fabrications to original equipment manufacturers (OEM's) in the earth moving, construction, agricultural, materials handling and specialist vehicle sectors.

Business review

Demand from the earthmoving & construction equipment sectors continued to increase for a second successive year throughout 2011, although the full effect of these increased sales volumes is being masked by falling steel prices reflecting back through the company's sales values. Sales volumes into our materials handling customers continued to grow but at a slower rate.

Unfortunately during the year the factory at Rugby became a late casualty of the worldwide recession of 2008/9. With some key pieces of plant & machinery reaching the end of their economic life and with still spare capacity on the same types of equipment in Openshaw - the decision was made not to replace this and to transfer the more profitable work into the Openshaw plant along with their newer equipment.

£183k of closure costs, which includes the termination/redundancy costs of 27 people are included in administrative expenses, along with a further £98k of stock write offs in cost of sales.

Also included in administrative expenses are development costs on new products for existing customers as well as an entirely new product for the agricultural sector which has started to generate sales as early as the first quarter of 2012.

Thos Storey Fabrications Limited

Directors' Report for the year ended 31 December 2011

Results

The profit for the year, after taxation, amounted to £132,253 (2010 - £346,916)

Directors

The directors who served during the year were

F Ellis FCMA
J Huggins

Financial instruments

The company's principal financial instruments comprise bank balances, a bank loan, trade debtors, trade creditors, operating lease agreements, hire purchase agreements and an inter company loan. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances and the bank loan the liquidity risk is managed by maintaining a balance between the continuity of funding and ensuring sufficient funds are available to meet amounts due.

The inter company loan carries interest charges which are paid on a monthly basis. The loans are repayable on demand. The company manages the liquidity risk by regular monitoring of these accounts.

The company is a lessee in respect of operating leased and hire purchase assets. The liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the use of both invoice discounting and credit insurance facilities.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Thos Storey Fabrications Limited

**Directors' Report
for the year ended 31 December 2011**

Provision of information to auditors

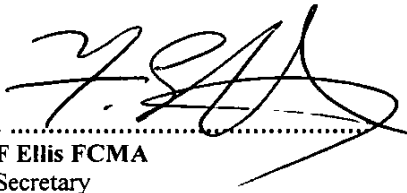
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

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

Auditors

The auditors, Hurst & Company Accountants LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

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



.....
F Ellis FCMA
Secretary

Date 2/4/12

Thos Storey Fabrications Limited

Independent Auditors' Report to the Members of Thos Storey Fabrications Limited

We have audited the financial statements of Thos Storey Fabrications Limited for the year ended 31 December 2011, set out on pages 6 to 20. 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 shareholders, 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 shareholders those matters we are required to state to them in an 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 and the company's shareholders 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 Directors' responsibilities statement, 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 Directors' report 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 December 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Thos Storey Fabrications Limited

Independent Auditors' Report to the Members of Thos Storey Fabrications Limited

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

Hurst & Company Accountants LLP

Anthony Woodings (Senior statutory auditor)

for and on behalf of

Hurst & Company Accountants LLP

Chartered Accountants &

Statutory Auditors

Lancashire Gate

21 Tiviot Dale

Stockport

Cheshire

SK1 1TD

Date *2 April 2012*

Thos Storey Fabrications Limited

**Profit and Loss Account
for the year ended 31 December 2011**

	Note	2011 £	2010 £
Turnover	1,2		
Continuing operations		14,515,025	13,830,051
Discontinued operations		1,801,903	1,806,949
		<u>16,316,928</u>	<u>15,637,000</u>
Cost of sales	4	(15,054,601)	(14,288,438)
		<u>1,262,327</u>	<u>1,348,562</u>
Gross profit			
Distribution costs	4	(304,483)	(308,001)
Administrative expenses	4	(733,255)	(516,863)
		<u>1,262,327</u>	<u>1,348,562</u>
Operating profit	3		
Continuing operations		603,347	578,665
Discontinued operations		(378,758)	(54,967)
		<u>224,589</u>	<u>523,698</u>
Interest receivable and similar income		528	1,382
Interest payable and similar charges	7	(69,213)	(118,900)
		<u>155,904</u>	<u>406,180</u>
Profit on ordinary activities before taxation			
Tax on profit on ordinary activities	8	(23,651)	(59,264)
		<u>132,253</u>	<u>346,916</u>
Profit for the financial year	17		
		<u>132,253</u>	<u>346,916</u>

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

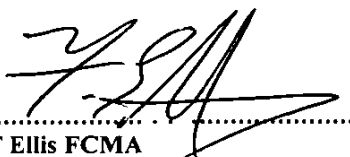
The notes on pages 9 to 20 form part of these financial statements

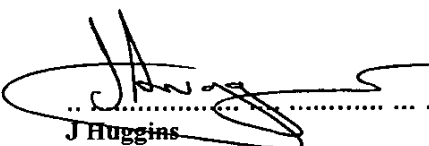
Thos Storey Fabrications Limited
Registered number: 04955870

Balance Sheet
as at 31 December 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Intangible assets	9		-		-
Tangible assets	10		2,102,146		2,426,104
			<u>2,102,146</u>		<u>2,426,104</u>
Current assets					
Stocks	11	986,725		1,057,451	
Debtors	12	1,973,220		2,730,248	
Cash at bank and in hand		34,112		100,004	
			<u>2,994,057</u>	<u>3,887,703</u>	
Creditors amounts falling due within one year	13	(3,377,059)		(4,457,398)	
Net current liabilities			<u>(383,002)</u>		<u>(569,695)</u>
Total assets less current liabilities			<u>1,719,144</u>		<u>1,856,409</u>
Creditors: amounts falling due after more than one year	14		(1,589)		(294,651)
Provisions for liabilities					
Deferred tax	15		(195,500)		(171,956)
Net assets			<u><u>1,522,055</u></u>		<u><u>1,389,802</u></u>
Capital and reserves					
Called up share capital	16		500,002		500,002
Profit and loss account	17		1,022,053		889,800
Shareholders' funds	18		<u><u>1,522,055</u></u>		<u><u>1,389,802</u></u>

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


F Ellis FCMA
Director


J Huggins
Director

Date 2/4/12

The notes on pages 9 to 20 form part of these financial statements.

Thos Storey Fabrications Limited

**Cash Flow Statement
for the year ended 31 December 2011**

	Note	2011 £	2010 £
Net cash flow from operating activities	20	333,226	1,512,541
Returns on investments and servicing of finance	21	(68,685)	(117,518)
Taxation	21	(290)	(38,719)
Capital expenditure and financial investment	21	(30,428)	(206,660)
Equity dividends paid		-	(200,000)
Cash inflow before financing		233,823	949,644
Financing	21	(513,637)	(844,408)
(Decrease)/Increase in cash in the year		(279,814)	105,236

**Reconciliation of Net Cash Flow to Movement in Net Funds/Debt
for the year ended 31 December 2011**

	2011 £	2010 £
(Decrease)/Increase in cash in the year	(279,814)	105,236
Cash outflow from decrease in debt and lease financing	513,637	844,408
Movement in net debt in the year	233,823	949,644
Net debt at 1 January 2011	(1,127,084)	(2,076,728)
Net debt at 31 December 2011	(893,261)	(1,127,084)

The notes on pages 9 to 20 form part of these financial statements

Thos Storey Fabrications Limited

Notes to the Financial Statements for the year ended 31 December 2011

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 applicable accounting standards

1.2 Turnover

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

1.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life. Positive goodwill is capitalised and amortised over 10 years, being the directors' estimate of its estimated economic life.

1.4 Tangible fixed assets and depreciation

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

Plant & machinery	-	5 - 50% on cost
Motor vehicles	-	10 - 20% on cost
Fixtures & fittings	-	5 - 33% on cost

Where useful economic life is revised, depreciation will be charged over the remaining useful economic life.

1.5 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.

1.6 Operating leases

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

1.7 Stocks and work in progress

Stocks and work in progress 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.

Thos Storey Fabrications Limited

Notes to the Financial Statements for the year ended 31 December 2011

1. Accounting Policies (continued)

1.8 Deferred taxation

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

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

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

Deferred tax assets and liabilities are not discounted

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.10 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred

2. Turnover

A geographical analysis of turnover is as follows

	2011 £	2010 £
United Kingdom	15,824,317	15,170,114
Rest of European Union	492,611	466,022
Rest of world	-	864
	<u>16,316,928</u>	<u>15,637,000</u>

The whole of the turnover and profit before taxation from continuing and discontinued activities is attributable to the manufacture, sale and distribution of high quality steel fabrications to original equipment manufacturers (OEM's) in the earth moving, construction, agricultural, materials handling and specialist vehicle sectors

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

3 Operating profit

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	331,051	397,455
- held under finance leases	27,693	27,693
Auditors' remuneration	14,875	16,000
Operating lease rentals		
- plant and machinery	64,168	54,990
- land & buildings	488,958	506,750
Difference on foreign exchange	(1,409)	(12,797)
Profit/(loss) on sales of fixed assets	(10,541)	(500)

4. Analysis of operating profit

	2011 Continuing £	2011 Discontinued £	2010 Continuing £	2010 Discontinued £
Turnover	14,515,025	1,801,903	13,830,051	1,806,949
Cost of sales	(13,187,914)	(1,866,687)	(12,570,160)	(1,718,278)
Gross profit	1,327,111	(64,784)	1,259,891	88,671
Distribution costs	(234,375)	(70,108)	(253,309)	(54,692)
Administrative expenses	(486,104)	(247,151)	(423,679)	(93,184)
Other operating income	(4,498)	4,498	(5,782)	5,782
Other operating charges	1,213	(1,213)	1,544	(1,544)
Operating profit	603,347	(378,758)	578,665	(54,967)

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

5 Staff costs

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	3,836,768	3,458,966
Social security costs	363,306	325,450
	<u>4,200,074</u>	<u>3,784,416</u>

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

	2011 No.	2010 No
Manufacturing	150	132
Management/Administration	31	28
	<u>181</u>	<u>160</u>

Included in wages and salaries are redundancy costs of £56,384 (2010 £nil)

6. Directors' remuneration

	2011 £	2010 £
Emoluments	<u>113,945</u>	<u>105,296</u>

7. Interest payable

	2011 £	2010 £
On bank loans and overdrafts	28,042	33,416
Other interest payable	41,171	85,484
	<u>69,213</u>	<u>118,900</u>

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

8. Taxation

	2011 £	2010 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	107	290
Deferred tax (see note 15)		
Origination and reversal of timing differences	23,544	58,974
Tax on profit on ordinary activities	<u>23,651</u>	<u>59,264</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 20% (2010 - 21%) The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	<u>155,904</u>	<u>406,180</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2010 - 21%)	31,181	85,298
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	657	2,211
Capital allowances for year in excess of depreciation	(23,544)	(58,974)
Changes to tax rates	(8,187)	(28,245)
Current tax charge for the year (see note above)	<u>107</u>	<u>290</u>

9. Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2011 and 31 December 2011	<u>122,799</u>
Amortisation	
At 1 January 2011 and 31 December 2011	<u>122,799</u>
Net book value	
At 31 December 2011	<u>-</u>
At 31 December 2010	<u>-</u>

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

10. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost				
At 1 January 2011	4,114,639	14,424	345,553	4,474,616
Additions	73,025	-	7,454	80,479
Disposals	(741,261)	-	(165,055)	(906,316)
At 31 December 2011	<u>3,446,403</u>	<u>14,424</u>	<u>187,952</u>	<u>3,648,779</u>
Depreciation				
At 1 January 2011	1,802,080	14,387	232,045	2,048,512
Charge for the year	316,810	37	48,080	364,927
On disposals	(726,658)	-	(140,148)	(866,806)
At 31 December 2011	<u>1,392,232</u>	<u>14,424</u>	<u>139,977</u>	<u>1,546,633</u>
Net book value				
At 31 December 2011	<u>2,054,171</u>	<u>-</u>	<u>47,975</u>	<u>2,102,146</u>
At 31 December 2010	<u>2,312,559</u>	<u>37</u>	<u>113,508</u>	<u>2,426,104</u>

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

	2011 £	2010 £
Plant and machinery	<u>193,015</u>	<u>220,709</u>

11. Stocks

	2011 £	2010 £
Raw materials	612,882	609,070
Work in progress	292,007	337,873
Finished goods and goods for resale	81,836	110,508
	<u>986,725</u>	<u>1,057,451</u>

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

12. Debtors

	2011	2010
	£	£
Trade debtors	1,738,926	2,502,063
Amounts owed by group undertakings	19,171	19,171
Amounts owed by connected companies	8,601	8,601
Other debtors	96,248	107,297
Prepayments and accrued income	110,274	93,116
	<u>1,973,220</u>	<u>2,730,248</u>

13. Creditors:

Amounts falling due within one year

	2011	2010
	£	£
Bank loans and overdrafts	469,185	484,729
Net obligations under finance leases and hire purchase contracts	39,140	61,131
Trade creditors	1,886,666	2,738,629
Corporation tax	107	290
Social security and other taxes	475,112	585,601
Proceeds of factored debts	417,459	386,577
Other creditors	31,483	101,432
Accruals and deferred income	57,907	99,009
	<u>3,377,059</u>	<u>4,457,398</u>

Chattel mortgages amounting to £253,922 (2010 £737,309) shown as bank loans within short term and long term creditors are secured on plant and machinery

The invoice discounting facility is secured upon the trade debtors to which it relates

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

**14 Creditors:
Amounts falling due after more than one year**

	2011	2010
	£	£
Bank loans	-	253,922
Net obligations under finance leases and hire purchase contracts	1,589	40,729
	<u>1,589</u>	<u>294,651</u>

Included within the above are amounts falling due as follows

	2011	2010
	£	£
Between one and two years		
Bank loans	-	253,922
	<u>-</u>	<u>253,922</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2011	2010
	£	£
Between one and five years	1,589	40,729
	<u>1,589</u>	<u>40,729</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired

15. Deferred taxation

	2011	2010
	£	£
At beginning of year	171,956	112,982
Charge for year	23,544	58,974
	<u>195,500</u>	<u>171,956</u>

The provision for deferred taxation is made up as follows

	2011	2010
	£	£
Accelerated capital allowances	239,706	262,357
Tax losses carried forward	(44,206)	(90,401)
	<u>195,500</u>	<u>171,956</u>

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

16. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
500,002 Ordinary shares shares of £1 each	500,002	500,002

17. Reserves

	Profit and loss account £
At 1 January 2011	889,800
Profit for the year	132,253
At 31 December 2011	1,022,053

18. Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Opening shareholders' funds	1,389,802	1,242,886
Profit for the year	132,253	346,916
Dividends (Note 19)	-	(200,000)
Closing shareholders' funds	1,522,055	1,389,802

19. Dividends

	2011 £	2010 £
Dividends paid on equity capital	-	200,000

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

20. Net cash flow from operating activities

	Continuing £	Discontinued £	2011 Total £	2010 £
Operating profit	603,347	(378,758)	224,589	523,698
Depreciation of tangible fixed assets	327,385	37,542	364,927	425,148
Profit on disposal of tangible fixed assets	(76,028)	65,487	(10,541)	(500)
Decrease/(increase) in stocks	(140,156)	210,881	70,725	(367,069)
Decrease/(increase) in debtors	561,591	195,437	757,028	(480,874)
(Decrease)/increase in creditors	(888,403)	(185,099)	(1,073,502)	1,412,138
Net cash inflow from continuing operating activities	<u>387,736</u>			
Net cash outflow in respect of discontinued activities		<u>(185,484)</u>		
Net cash inflow from operating activities			<u>333,226</u>	<u>1,512,541</u>

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

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	528	1,382
Interest paid	(69,213)	(118,900)
Net cash outflow from returns on investments and servicing of finance	<u>(68,685)</u>	<u>(117,518)</u>
Taxation		
Corporation tax	(290)	(38,719)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(80,479)	(207,160)
Sale of tangible fixed assets	50,051	500
Net cash outflow from capital expenditure	<u>(30,428)</u>	<u>(206,660)</u>

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

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

	2011 £	2010 £
Financing		
Repayment of loans	(483,388)	(450,781)
Repayment of finance leases	(61,131)	(60,873)
Movements on invoice discounting	30,882	(332,754)
Net cash outflow from financing	<u>(513,637)</u>	<u>(844,408)</u>

22. Analysis of changes in net debt

	1 January 2011 £	Cash flow £	Other non-cash changes £	31 December 2011 £
Cash at bank and in hand	100,004	(65,892)	-	34,112
Bank overdraft	(1,342)	(213,922)	-	(215,264)
	<u>98,662</u>	<u>(279,814)</u>	<u>-</u>	<u>(181,152)</u>
Debt:				
Finance leases	(101,860)	61,131	-	(40,729)
Debts due within one year	(483,387)	483,388	(253,922)	(253,921)
Invoice discounting	(386,577)	(30,882)	-	(417,459)
Debts falling due after more than one year	(253,922)	-	253,922	-
Net debt	<u>(1,127,084)</u>	<u>233,823</u>	<u>-</u>	<u>(893,261)</u>

23 Operating lease commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2011 £	2010 £	2011 £	Other 2010 £
Expiry date:				
Within 1 year	400,000	400,000	3,757	-
Between 2 and 5 years	-	106,750	44,816	48,915

Thos Storey Fabrications Limited

**Notes to the Financial Statements
for the year ended 31 December 2011**

24. Related party transactions

During the year the company has paid rental charges to Thos Storey Property Limited of £400,000 (2010. £400,000) Mr F Ellis and Mr J Huggins are also directors of Thos Storey Property Limited

The company rents premises from Thos Storey Fabrications Retirement Benefit Scheme and has paid annual rent of £106,750 (2010 £106,750) Mr F Ellis and Mr J Huggins are members of this scheme

Included within debtors amounts owed by group companies is an amount of £19,171 (2010 £19,171) owed by Hallco 1431 Limited Mr F Ellis and Mr J Huggins are also directors of Hallco 1431 Limited

Included within debtors amounts owed to connected companies is an amount of £8,601 (2010 £8,601) owed by Hallco 1430 Limited Mr F Ellis and Mr J Huggins are also directors of Hallco 1430 Limited

All transactions occurred on an arms length basis

25 Ultimate parent undertaking and controlling party

The ultimate parent company is Hallco 1431 Limited, a company registered in England and Wales, company number 06030787