

**ABBREVIATED ACCOUNTS**  
**FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013**  
**FOR**  
**CARROLL & MEYNELL TRANSFORMERS LIMITED**

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27/06/2014

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COMPANIES HOUSE

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FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013**

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**STRATEGIC REPORT  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013**

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The director presents his strategic report for the period 2 October 2012 to 30 September 2013.

**REVIEW OF BUSINESS**

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

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end.

The Company continues to operate as transformer manufacturers and given the straightforward nature of the business, the director is of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the entity.

It is pleasing to note that the company's turnover has increased by a further 4% this year and that the rate of gross profit achieved has also increased. The purchase of additional business premises and expansion of the workforce has resulted in increased overheads but the director is satisfied that the company has maintained its profitable position.

**ON BEHALF OF THE BOARD:**

.....  
Mr M Meynell - Director

Date: 25/06/14 .....

**REPORT OF THE DIRECTOR  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013**

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The director presents his report with the accounts of the company for the period 2 October 2012 to 30 September 2013.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of transformer manufacturers.

**DIVIDENDS**

The total distribution of dividends for the period ended 30 September 2013 will be £50,766.

**DIRECTOR**

Mr M Meynell held office during the whole of the period from 2 October 2012 to the date of this report.

**PURCHASE OF OWN SHARES**

On 24 October 2012, the company entered into a contract with the former director, RW Carroll for the purchase of his holding of 18 £1 ordinary shares in the company for cancellation. This holding represented 18.75% of the company's issued share capital and the consideration paid was £150,000.

**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.

**ON BEHALF OF THE BOARD:**

  
.....  
Mr M Meynell - Director

Date:   
.....

**REPORT OF THE INDEPENDENT AUDITORS TO  
CARROLL & MEYNELL TRANSFORMERS LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages four to sixteen, together with the full financial statements of Carroll & Meynell Transformers Limited for the period ended 30 September 2013 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.



Anne Cowley BA FCA (Senior Statutory Auditor)  
for and on behalf of Baines Jewitt LLP  
Statutory Auditors  
Barrington House  
41-45 Yarm Lane  
Stockton-on-Tees  
Cleveland  
TS18 3EA

26 June 2014

**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013**

|  |          | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|--|----------|---|---|
|  | Notes    |   |   |
| <b>TURNOVER</b>  |          | <b>7,958,412</b>                        | <b>7,653,836</b>                        |
| Cost of sales  |          | <b>(6,685,297)</b>                      | <b>(6,452,815)</b>                      |
|  |          | <b>1,273,115</b>                        | <b>1,201,021</b>                        |
| Administrative expenses                                  |          | <b>1,083,343</b>                        | <b>868,485</b>                          |
| <b>OPERATING PROFIT</b>                                  | <b>3</b> | <b>189,772</b>                          | <b>332,536</b>                          |
| Interest payable and similar charges                     | <b>4</b> | <b>56,950</b>                           | <b>44,520</b>                           |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |          | <b>132,822</b>                          | <b>288,016</b>                          |
| Tax on profit on ordinary activities                     | <b>5</b> | <b>25,727</b>                           | <b>39,455</b>                           |
| <b>PROFIT FOR THE FINANCIAL PERIOD</b>                   |          | <b>107,095</b>                          | <b>248,561</b>                          |

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

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

**NOTE OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013**

|  | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|--|---|---|
| <b>REPORTED PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b>                      | <b>132,822</b>                          | <b>288,016</b>                          |
| Additional depreciation on revaluation   | <b>3,830</b>                            | <b>3,830</b>                            |
| <b>HISTORICAL COST PROFIT ON ORDINARY<br/>ACTIVITIES BEFORE TAXATION</b>               | <b>136,652</b>                          | <b>291,846</b>                          |
| <b>HISTORICAL COST PROFIT FOR THE PERIOD<br/>RETAINED AFTER TAXATION AND DIVIDENDS</b> | <b>60,159</b>                           | <b>128,991</b>                          |

The notes form part of these abbreviated accounts

**ABBREVIATED BALANCE SHEET**  
**30 SEPTEMBER 2013**

|  |       | 2013                  | 2012                  |
|--|-------|-----------------------|-----------------------|
|  | Notes | £                     | £                     |
| <b>FIXED ASSETS</b>                          |       |                       |                       |
| Tangible assets                              | 7     | 852,122               | 592,895               |
| <b>CURRENT ASSETS</b>                        |       |                       |                       |
| Stocks                                       | 8     | 1,140,214             | 972,013               |
| Debtors                                      | 9     | 1,795,037             | 1,853,509             |
| Cash at bank and in hand                     |       | 290                   | 246                   |
|  |       | <u>2,935,541</u>      | <u>2,825,768</u>      |
| <b>CREDITORS</b>                             |       |                       |                       |
| Amounts falling due within one year          | 10    | <u>3,009,712</u>      | <u>2,789,888</u>      |
| <b>NET CURRENT (LIABILITIES)/ASSETS</b>      |       | <u>(74,171)</u>       | <u>35,880</u>         |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>777,951</u>        | <u>628,775</u>        |
| <b>CREDITORS</b>                             |       |                       |                       |
| Amounts falling due after more than one year | 11    | (223,704)             | (1,204)               |
| <b>PROVISIONS FOR LIABILITIES</b>            | 15    | <u>(37,160)</u>       | <u>(16,813)</u>       |
| <b>NET ASSETS</b>                            |       | <u><u>517,087</u></u> | <u><u>610,758</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                       |                       |
| Called up share capital                      | 16    | 78                    | 96                    |
| Revaluation reserve                          | 17    | 192,201               | 196,031               |
| Capital redemption reserve                   | 17    | 18                    | -                     |
| Profit and loss account                      | 17    | <u>324,790</u>        | <u>414,631</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                   | 20    | <u><u>517,087</u></u> | <u><u>610,758</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 25/06/14 and were signed by:

  
Mr M Meynell - Director

The notes form part of these abbreviated accounts

**CASH FLOW STATEMENT  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013**

|  |       | Period<br>2.10.12 to 30.9.13 |             | Period<br>1.10.11 to 1.10.12 |             |
|--|-------|------------------------------|-------------|------------------------------|-------------|
|  | Notes | £                            | £           | £                            | £           |
| Net cash inflow from operating activities                                  | 1     |                              | 205,095     |                              | 267,329     |
| Returns on investments and servicing of finance                            | 2     |                              | (56,950)    |                              | (44,520)    |
| Taxation   |       |                              | (22,642)    |                              | -           |
| Capital expenditure  | 2     |                              | (313,766)   |                              | (69,110)    |
| Equity dividends paid  |       |                              | (50,766)    |                              | (123,400)   |
|  |       |                              | (239,029)   |                              | 30,299      |
| Financing  | 2     |                              | 126,010     |                              | (1,857)     |
| (Decrease)/increase in cash in the period                                  |       |                              | (113,019)   |                              | 28,442      |
| <hr/>  |       |                              |             |                              |             |
| Reconciliation of net cash flow to movement in net debt                    | 3     |                              |             |                              |             |
| (Decrease)/increase in cash in the period                                  |       |                              | (113,019)   |                              | 28,442      |
| Cash (inflow)/outflow from (increase)/decrease in debt and lease financing |       |                              | (276,010)   |                              | 1,857       |
| Change in net debt resulting from cash flows                               |       |                              | (389,029)   |                              | 30,299      |
| Movement in net debt in the period   |       |                              | (389,029)   |                              | 30,299      |
| Net debt at 2 October  |       |                              | (1,003,125) |                              | (1,033,424) |
| Net debt at 30 September   |       |                              | (1,392,154) |                              | (1,003,125) |

The notes form part of these abbreviated accounts



NOTES TO THE CASH FLOW STATEMENT  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

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

|  | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|--|---|---|
| Operating profit                                 | 189,772                                 | 332,536                                 |
| Depreciation charges                             | 54,539                                  | 41,386                                  |
| Increase in stocks                               | (168,201)                               | (71,567)                                |
| Decrease/(increase) in debtors                   | 58,472                                  | (85,778)                                |
| Increase in creditors                            | 70,513                                  | 50,752                                  |
| <b>Net cash inflow from operating activities</b> | <b>205,095</b>                          | <b>267,329</b>                          |

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

|   | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|---|---|---|
| <b>Returns on investments and servicing of finance</b>                      |   |   |
| Interest paid   | (56,950)                                | (44,520)                                |
| <b>Net cash outflow for returns on investments and servicing of finance</b> | <b>(56,950)</b>                         | <b>(44,520)</b>                         |
| <b>Capital expenditure</b>  |   |   |
| Purchase of tangible fixed assets   | (313,766)                               | (69,110)                                |
| <b>Net cash outflow for capital expenditure</b>                             | <b>(313,766)</b>                        | <b>(69,110)</b>                         |
| <b>Financing</b>  |   |   |
| New loans in year   | 324,800                                 | -                                       |
| Loan repayments in year   | (46,808)                                | -                                       |
| Capital repayments in year  | (1,982)                                 | (1,857)                                 |
| Purchase of own shares  | (150,000)                               | -                                       |
| <b>Net cash inflow/(outflow) from financing</b>                             | <b>126,010</b>                          | <b>(1,857)</b>                          |

The notes form part of these abbreviated accounts

NOTES TO THE CASH FLOW STATEMENT  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

3. ANALYSIS OF CHANGES IN NET DEBT

|                                      | At<br>2.10.12<br>£ | Cash flow<br>£   | At<br>30.9.13<br>£ |
|--------------------------------------|--------------------|------------------|--------------------|
| Net cash:                            |                    |                  |                    |
| Cash at bank and in hand             | 246                | 44               | 290                |
| Bank overdrafts                      | (999,994)          | (113,063)        | (1,113,057)        |
|                                      | <u>(999,748)</u>   | <u>(113,019)</u> | <u>(1,112,767)</u> |
| Debt:                                |                    |                  |                    |
| Hire purchase                        | (3,377)            | 1,982            | (1,395)            |
| Debts falling due<br>within one year | -                  | (54,288)         | (54,288)           |
| Debts falling due<br>after one year  | -                  | (223,704)        | (223,704)          |
|                                      | <u>(3,377)</u>     | <u>(276,010)</u> | <u>(279,387)</u>   |
| Total                                | <u>(1,003,125)</u> | <u>(389,029)</u> | <u>(1,392,154)</u> |

The notes form part of these abbreviated accounts

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013**

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**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax and discounts allowed.

**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.

|                     |   |
|---------------------|---|
| Freehold property   | - 2% on cost                              |
| Plant and machinery | - 20% on reducing balance                 |
| Office equipment    | - 20% on cost and 15% on reducing balance |

Prior to the business reorganisation in 2007, it was the previous company's policy to revalue the freehold property. In the year to 30 September 2008 when the reorganisation took place this company adopted the transitional provisions of FRS 15 Tangible Fixed Assets. Whilst previous valuations have been retained, they have not been updated. From 1 October 2007 it is company policy not to revalue fixed assets. The last valuation was in September 2005.

**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 recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Research and development**

Expenditure on research and development is charged to profit and loss account in the year in which it is incurred.

**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 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.

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

**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.

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

2. STAFF COSTS

|                       | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|-----------------------|---|---|
| Wages and salaries    | 1,893,702                               | 1,601,258                               |
| Social security costs | 125,503                                 | 108,006                                 |
| Other pension costs   | 14,877                                  | 12,522                                  |
|                       | <u>2,034,082</u>                        | <u>1,721,786</u>                        |

The average monthly number of employees during the period was as follows:

|                               | Period<br>2.10.12<br>to<br>30.9.13 | Period<br>1.10.11<br>to<br>1.10.12 |
|-------------------------------|------------------------------------|------------------------------------|
| Manufacturing                 | 74                                 | 62                                 |
| Administration and management | 20                                 | 17                                 |
|                               | <u>94</u>                          | <u>79</u>                          |

3. OPERATING PROFIT

The operating profit is stated after charging:

|  | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|--|---|---|
| Hire of plant and machinery                      | 6,785                                   | 4,227                                   |
| Depreciation - owned assets                      | 53,631                                  | 40,252                                  |
| Depreciation - assets on hire purchase contracts | 908                                     | 1,134                                   |
| Auditors remuneration                            | <u>8,400</u>                            | <u>-</u>                                |
| Directors' remuneration                          | <u>940</u>                              | <u>20,173</u>                           |

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

|                        |          |          |
|------------------------|----------|----------|
| Money purchase schemes | <u>1</u> | <u>2</u> |
|------------------------|----------|----------|

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

4. INTEREST PAYABLE AND SIMILAR CHARGES

|                              | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|------------------------------|---|---|
| Bank interest                | 267                                     | -                                       |
| Bank loan interest           | 7,926                                   | -                                       |
| Invoice discounting interest | 48,637                                  | 44,276                                  |
| Hire purchase interest       | 120                                     | 244                                     |
|                              | <u>56,950</u>                           | <u>44,520</u>                           |

5. TAXATION

**Analysis of the tax charge**

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

|                                      | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|--------------------------------------|---|---|
| Current tax:                         |   |   |
| UK corporation tax                   | 5,380                                   | 22,642                                  |
| Deferred tax                         | <u>20,347</u>                           | <u>16,813</u>                           |
| Tax on profit on ordinary activities | <u>25,727</u>                           | <u>39,455</u>                           |

**Factors affecting the tax charge**

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

|  | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|--|---|---|
| Profit on ordinary activities before tax   | <u>132,822</u>                          | <u>288,016</u>                          |
| Profit on ordinary activities<br>multiplied by the standard rate of corporation tax<br>in the UK of 20% (2012 - 20%) | 26,564                                  | 57,603                                  |
| Effects of:  |   |   |
| Expenses not deductible for tax purposes   | 65                                      | 631                                     |
| Capital allowances in excess of depreciation   | (18,347)                                | (2,296)                                 |
| Utilisation of tax losses  | -                                       | (23,508)                                |
| Research & Development enhanced deduction  | <u>(2,902)</u>                          | <u>(9,788)</u>                          |
| Current tax charge   | <u>5,380</u>                            | <u>22,642</u>                           |

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

5. TAXATION - continued

**Factors that may affect future tax charges**

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided for is £49,740. At present, it is not envisaged that any tax will become payable in the foreseeable future.

6. DIVIDENDS

|         | Period<br>2.10.12<br>to<br>30.9.13<br>£ | Period<br>1.10.11<br>to<br>1.10.12<br>£ |
|---------|---|---|
| Interim | 50,766                                  | 123,400                                 |

7. TANGIBLE FIXED ASSETS

|                          | Freehold<br>property<br>£ | Plant and<br>machinery<br>£ | Office<br>equipment<br>£ | Totals<br>£ |
|--------------------------|---------------------------|-----------------------------|--------------------------|-------------|
| <b>COST OR VALUATION</b> |                           |                             |                          |             |
| At 2 October 2012        | 511,500                   | 720,507                     | 48,225                   | 1,280,232   |
| Additions                | 179,574                   | 117,443                     | 16,749                   | 313,766     |
| At 30 September 2013     | 691,074                   | 837,950                     | 64,974                   | 1,593,998   |
| <b>DEPRECIATION</b>      |                           |                             |                          |             |
| At 2 October 2012        | 70,000                    | 585,010                     | 32,327                   | 687,337     |
| Charge for period        | 10,000                    | 40,003                      | 4,536                    | 54,539      |
| At 30 September 2013     | 80,000                    | 625,013                     | 36,863                   | 741,876     |
| <b>NET BOOK VALUE</b>    |                           |                             |                          |             |
| At 30 September 2013     | 611,074                   | 212,937                     | 28,111                   | 852,122     |
| At 1 October 2012        | 441,500                   | 135,497                     | 15,898                   | 592,895     |

Cost or valuation at 30 September 2013 is represented by:

|                   | Freehold<br>property<br>£ | Plant and<br>machinery<br>£ | Office<br>equipment<br>£ | Totals<br>£ |
|-------------------|---------------------------|-----------------------------|--------------------------|-------------|
| Valuation in 2005 | 500,000                   | -                           | -                        | 500,000     |
| Cost              | 191,074                   | 837,950                     | 64,974                   | 1,093,998   |
|                   | 691,074                   | 837,950                     | 64,974                   | 1,593,998   |

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

7. TANGIBLE FIXED ASSETS - continued

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

|                        | 2013    | 2012    |
|------------------------|---------|---------|
|                        | £       | £       |
| Cost                   | 499,550 | 319,976 |
| Aggregate depreciation | 80,677  | 74,507  |

Freehold land and buildings were valued on an open market basis on 30 September 2005 by Sanderson Weatherall, Chartered Surveyors.

A further valuation was carried out in March 2008 by Sanderson Weatherall which suggested an open market valuation at that time of £700,000.

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

|                          | Plant and machinery<br>£ |
|--------------------------|--------------------------|
| <b>COST OR VALUATION</b> |                          |
| At 2 October 2012        |                          |
| and 30 September 2013    | 6,300                    |
| <b>DEPRECIATION</b>      |                          |
| At 2 October 2012        | 1,764                    |
| Charge for period        | 908                      |
| At 30 September 2013     | 2,672                    |
| <b>NET BOOK VALUE</b>    |                          |
| At 30 September 2013     | 3,628                    |
| At 1 October 2012        | 4,536                    |

8. STOCKS

|               | 2013      | 2012    |
|---------------|-----------|---------|
|               | £         | £       |
| Raw materials | 1,140,214 | 972,013 |

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|               | 2013      | 2012      |
|---------------|-----------|-----------|
|               | £         | £         |
| Trade debtors | 1,782,433 | 1,843,357 |
| Prepayments   | 12,604    | 10,152    |
|               | 1,795,037 | 1,853,509 |

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|   | 2013             | 2012             |
|---|------------------|------------------|
|   | £                | £                |
| Bank loans and overdrafts (see note 12) | 1,167,345        | 999,994          |
| Hire purchase contracts (see note 13)   | 1,395            | 2,173            |
| Trade creditors                         | 1,544,068        | 1,496,257        |
| Tax                                     | 5,380            | 22,642           |
| Social security and other taxes         | 184,123          | 158,521          |
| Other creditors                         | 1,687            | 735              |
| Accruals and deferred income            | 105,714          | 109,566          |
|   | <u>3,009,712</u> | <u>2,789,888</u> |

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

|                                       | 2013           | 2012         |
|---------------------------------------|----------------|--------------|
|                                       | £              | £            |
| Bank loans (see note 12)              | 223,704        | -            |
| Hire purchase contracts (see note 13) | -              | 1,204        |
|                                       | <u>223,704</u> | <u>1,204</u> |

12. LOANS

An analysis of the maturity of loans is given below:

|   | 2013             | 2012           |
|---|------------------|----------------|
|   | £                | £              |
| Amounts falling due within one year or on demand: |                  |                |
| Bank overdrafts                                   | 1,113,057        | 999,994        |
| Bank loans  | 54,288           | -              |
|   | <u>1,167,345</u> | <u>999,994</u> |
| Amounts falling due between one and two years:    |                  |                |
| Bank loans  | <u>54,288</u>    | <u>-</u>       |
| Amounts falling due between two and five years:   |                  |                |
| Bank loans  | <u>146,699</u>   | <u>-</u>       |
| Amounts falling due in more than five years:      |                  |                |
| Repayable by instalments                          |                  |                |
| Bank loans  | <u>22,717</u>    | <u>-</u>       |



NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

|                            | Hire purchase contracts |              |
|----------------------------|-------------------------|--------------|
|                            | 2013                    | 2012         |
|                            | £                       | £            |
| Net obligations repayable: |                         |              |
| Within one year            | 1,395                   | 2,173        |
| Between one and five years | -                       | 1,204        |
|                            | <u>1,395</u>            | <u>3,377</u> |

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

|                            | Other operating leases |               |
|----------------------------|------------------------|---------------|
|                            | 2013                   | 2012          |
|                            | £                      | £             |
| Expiring:                  |                        |               |
| Between one and five years | 15,090                 | 15,090        |
|                            | <u>15,090</u>          | <u>15,090</u> |

14. SECURED DEBTS

The following secured debts are included within creditors:

|                         | 2013             | 2012             |
|-------------------------|------------------|------------------|
|                         | £                | £                |
| Bank overdrafts         | 1,113,057        | 999,994          |
| Bank loans              | 277,992          | -                |
| Hire purchase contracts | 1,395            | 3,377            |
|                         | <u>1,392,444</u> | <u>1,003,371</u> |

Bank loans and overdrafts are secured by a first legal charge over the company's freehold property and an unlimited debenture over the assets of the company.

Obligations under hire purchase contracts are secured on the assets to which they relate.

15. PROVISIONS FOR LIABILITIES

|                                | 2013          | 2012          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Deferred tax                   |               |               |
| Accelerated capital allowances | 37,160        | 16,813        |
|                                | <u>37,160</u> | <u>16,813</u> |

|                              | Deferred tax  |
|------------------------------|---------------|
|                              | £             |
| Balance at 2 October 2012    | 16,813        |
| Movement for the year        | 20,347        |
| Balance at 30 September 2013 | <u>37,160</u> |

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE PERIOD 2 OCTOBER 2012 TO 30 SEPTEMBER 2013

## 16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number:           | Class:   | Nominal value: | 2013<br>£ | 2012<br>£ |
|-------------------|----------|----------------|-----------|-----------|
| 78<br>(2012 - 96) | Ordinary | £1             | 78        | 96        |

## 17. RESERVES

|                                   | Profit and loss account<br>£ | Revaluation reserve<br>£ | Capital redemption reserve<br>£ | Totals<br>£ |
|-----------------------------------|------------------------------|--------------------------|---------------------------------|-------------|
| At 2 October 2012                 | 414,631                      | 196,031                  | -                               | 610,662     |
| Profit for the period             | 107,095                      |                          |                                 | 107,095     |
| Dividends                         | (50,766)                     |                          |                                 | (50,766)    |
| Purchase of own shares            | (150,000)                    | -                        | 18                              | (149,982)   |
| Transfer from revaluation reserve | 3,830                        | (3,830)                  | -                               | -           |
| At 30 September 2013              | 324,790                      | 192,201                  | 18                              | 517,009     |

## 18. RELATED PARTY DISCLOSURES

During the year, dividends were paid to the director totalling to £50,766.

## 19. ULTIMATE CONTROLLING PARTY

The company is under the control of its director, M Meynell.

## 20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| Profit for the financial period                 | 107,095   | 248,561   |
| Dividends                                       | (50,766)  | (123,400) |
| Payments to acquire own shares                  | (150,000) | -         |
| Net (reduction)/addition to shareholders' funds | (93,671)  | 125,161   |
| Opening shareholders' funds                     | 610,758   | 485,597   |
| Closing shareholders' funds                     | 517,087   | 610,758   |