

Registration number 06037428

Wrekin Grain Limited
Directors' report and financial statements
for the year ended 31 March 2010

WEDNESDAY



AXFCHQ5A

A27

22/12/2010

469

COMPANIES HOUSE

Wrekin Grain Limited

Company information

Directors	S A Dolphin H C Crawford J E Franklin N G Furniss
Secretary	H C Crawford
Company number	06037428
Registered office	Common Farm Bolas Heath Telford TF6 6PJ
Auditors	Tranter Lowe (D & W) LLP Bank House 66 High Street Dawley Telford TF4 2HD
Business address	Allscott Telford Shropshire TF6 5DY
Bankers	Barclays Bank Plc

Wrekin Grain Limited

Contents

	Page
Directors' report	1 - 2
Auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the financial statements	8 - 17

Wrekin Grain Limited

Directors' report for the year ended 31 March 2010

The directors present their report and the financial statements for the year ended 31 March 2010

Principal activity and review of the business

The principal activity of the company was commodities trading

Business review

2010 has been a fairly consistent year for the company, with reasonable turnover tempered by low profit margins

Costs are being regularly monitored to reduce wastage, and the directors are satisfied that this is within reasonable expectations

As always with commodities trading there is an element of speculation in the future, but the directors consider themselves well armed to deal with this, and have left adequate resources within the business to cover it's running costs should the need arise

Results and dividends

The results for the year are set out on page 5

The directors have paid an interim dividend amounting to £348,240 and they do not recommend payment of a final dividend

Directors

The directors who served during the year are as stated below

S A Dolphin

H C Crawford

J E Franklin

N G Furniss

Statement of directors' responsibilities

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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements 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

Wrekin Grain Limited

**Directors' report
for the year ended 31 March 2010**

continued

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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Tranter Lowe (D & W) LLP are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 23-11-2010 and signed on its behalf by



H C Crawford
Secretary

**Independent auditor's report to the shareholders of
Wrekin Grain Limited**

We have audited the financial statements of Wrekin Grain Limited for the year ended 31 March 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds and the related notes. 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 Sections 495 and 496 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 set out on page 1 - 2, 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 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 (APB'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, and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 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.

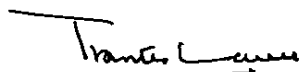
**Independent auditor's report to the shareholders of
Wrekin Grain Limited**

continued

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



**Michael Lowe (senior statutory auditor)
For and on behalf of Tranter Lowe (D & W) LLP
Chartered Accountants and
Registered Auditor**

Date: 2nd Dec 2010

**Bank House
66 High Street
Dawley
Telford
TF4 2HD**

Wrekin Grain Limited

**Profit and loss account
for the year ended 31 March 2010**

		Continuing operations	
		2010	2009
	Notes	£	£
Turnover	2	33,868,610	29,874,402
Cost of sales		(32,408,757)	(28,642,943)
Gross profit		1,459,853	1,231,459
Administrative expenses		(803,670)	(590,121)
Operating profit	3	656,183	641,338
Other interest receivable and similar income	5	32	14,599
Interest payable and similar charges	6	(24,151)	(19,900)
Profit on ordinary activities before taxation		632,064	636,037
Tax on profit on ordinary activities	9	(163,504)	(161,258)
Profit for the year		468,560	474,779
Retained profit brought forward		484,236	248,022
Reserve Movements		(348,240)	(238,565)
Retained profit carried forward		604,556	484,236

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 8 to 17 form an integral part of these financial statements.

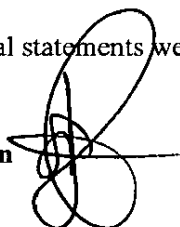
Wrekin Grain Limited

**Balance sheet
as at 31 March 2010**

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Intangible assets	10		15,992		23,996
Tangible assets	11		93,923		94,394
			<u>109,915</u>		<u>118,390</u>
Current assets					
Stocks	12	2,237		222,464	
Debtors	13	3,595,058		2,795,898	
Cash at bank and in hand		1,156,765		931,010	
		<u>4,754,060</u>		<u>3,949,372</u>	
Creditors: amounts falling due within one year	14	<u>(4,026,604)</u>		<u>(3,327,711)</u>	
Net current assets			<u>727,456</u>		<u>621 661</u>
Total assets less current liabilities			837,371		740,051
Creditors: amounts falling due after more than one year	15		(223,875)		(242,875)
Provisions for liabilities	16		<u>(8,000)</u>		<u>(12,000)</u>
Net assets			<u>605,496</u>		<u>485,176</u>
Capital and reserves					
Called up share capital	18		940		940
Profit and loss account			604,556		484,236
Shareholders' funds	19		<u>605,496</u>		<u>485,176</u>

The financial statements were approved by the Board on **23-11-2010** and signed on its behalf by

S A Dolphin
Director



Registration number 06037428

The notes on pages 8 to 17 form an integral part of these financial statements.

Wrekin Grain Limited

**Cash flow statement
for the year ended 31 March 2010**

	Notes	2010 £	2009 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		656,183	641,338
Depreciation		41,011	38,098
Decrease in stocks		220,227	(142,206)
(Increase) in debtors		(799,160)	(386,712)
Increase in creditors		685,147	1,054,772
Net cash inflow from operating activities		<u>803,408</u>	<u>1,205,290</u>
Cash flow statement			
Net cash inflow from operating activities		803,408	1,205,290
Returns on investments and servicing of finance	23	(24,119)	(5,355)
Taxation	23	(153,758)	(94,218)
Capital expenditure	23	(32,534)	(54,726)
		592,997	1,050,991
Equity dividends paid		(348,240)	(238,565)
		244,757	812,426
Financing	23	(19,000)	48,000
Increase in cash in the year		<u>225,757</u>	<u>860,426</u>
Reconciliation of net cash flow to movement in net funds (Note 24)			
Increase in cash in the year		225,757	860,426
Cash inflow from increase in debts and lease financing		19,000	(48,000)
Change in net funds resulting from cash flows		244,757	812,426
Net funds at 1 April 2009		688,135	(124,291)
Net funds at 31 March 2010		<u>932,892</u>	<u>688,135</u>

Wrekin Grain Limited

Notes to the financial statements for the year ended 31 March 2010

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	10%, 20% and 33% per annum
Motor vehicles	-	25% per annum

1.5. Stock

Stock is valued at the lower of cost and net realisable value

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

1.7. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Wrekyn Grain Limited

Notes to the financial statements for the year ended 31 March 2010

continued

1.8. Going concern

The directors have reviewed the future forecasts of trading and financial resources. Significant cash balances were held at the year end and the directors are of the opinion that they have sufficient resources and risk management policies to deal with the current economic climate. Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

	2010 £	2009 £
3. Operating profit	2010 £	2009 £
Operating profit is stated after charging		
Depreciation and other amounts written off intangible assets	8,004	8,004
Depreciation and other amounts written off tangible assets	33,532	27,344
Loss on disposal of tangible fixed assets	-	2,750
Auditors' remuneration (Note 4)	3,000	3,000
	<u>525</u>	<u>-</u>
and after crediting		
Profit on disposal of tangible fixed assets		
	<u>525</u>	<u>-</u>
4. Auditors' remuneration	2010 £	2009 £
Auditors' remuneration - audit of the financial statements	3,000	3,000
	<u>3,000</u>	<u>3,000</u>
5. Interest receivable and similar income	2010 £	2009 £
Bank interest	-	14,599
Other interest	32	-
	<u>32</u>	<u>14,599</u>

Wrekin Grain Limited

**Notes to the financial statements
for the year ended 31 March 2010**

continued

6. Interest payable and similar charges	2010	2009
	£	£
Interest payable on loans < 1 yr	24,151	19,900
	<u> </u>	<u> </u>
7. Employees		
Number of employees	2010	2009
The average monthly numbers of employees (including the directors) during the year were		
Administration	10	9
	<u> </u>	<u> </u>
Employment costs	2010	2009
	£	£
Wages and salaries	297,331	184,361
Social security costs	32,006	17,901
Pension costs-other operating charge	101,594	101,919
	<u>430,931</u>	<u>304,181</u>
	<u> </u>	<u> </u>
7.1. Directors' remuneration	2010	2009
	£	£
Remuneration and other emoluments	167,873	97,264
Pension contributions	100,000	100,000
	<u>267,873</u>	<u>197,264</u>
	<u> </u>	<u> </u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	3	3
	<u> </u>	<u> </u>

8. Pension costs

The company operates a defined contribution pension scheme in respect of the employees and directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £101,594.

Wrekin Grain Limited

**Notes to the financial statements
for the year ended 31 March 2010**

... continued

9. Tax on profit on ordinary activities

Analysis of charge in period	2010 £	2009 £
Current tax		
UK corporation tax	167,504	153,758
Total current tax charge	<u>167,504</u>	<u>153,758</u>
Deferred tax		
Timing differences, origination and reversal	(4,000)	7,500
Total deferred tax	<u>(4,000)</u>	<u>7,500</u>
Tax on profit on ordinary activities	<u>163,504</u>	<u>161,258</u>

10. Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 April 2009	40,000	40,000
At 31 March 2010	<u>40,000</u>	<u>40,000</u>
Amortisation		
At 1 April 2009	16,004	16,004
Charge for year	8,004	8,004
At 31 March 2010	<u>24,008</u>	<u>24,008</u>
Net book values		
At 31 March 2010	<u>15,992</u>	<u>15,992</u>
At 31 March 2009	<u>23,996</u>	<u>23,996</u>

Wrekin Grain Limited

**Notes to the financial statements
for the year ended 31 March 2010**

continued

11. Tangible fixed assets	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 April 2009	134,620	5,750	140,370
Additions	2,750	33,186	35,936
Disposals	-	(5,750)	(5,750)
At 31 March 2010	137,370	33,186	170,556
Depreciation			
At 1 April 2009	43,103	2,873	45,976
On disposals	-	(2,873)	(2,873)
Charge for the year	27,532	5,998	33,530
At 31 March 2010	70,635	5,998	76,633
Net book values			
At 31 March 2010	66,735	27,188	93,923
At 31 March 2009	91,517	2,877	94,394

12. Stocks	2010 £	2009 £
Finished goods and goods for resale	2,237	222,464

13. Debtors	2010 £	2009 £
Trade debtors	3,567,763	2,769,876
Other debtors	19,738	20,861
Prepayments and accrued income	7,557	5,161
	3,595,058	2,795,898

Wrekin Grain Limited

**Notes to the financial statements
for the year ended 31 March 2010**

continued

14. Creditors: amounts falling due within one year	2010 £	2009 £
Trade creditors	3,419,689	2,768,473
Corporation tax	167,504	153,758
Directors' accounts	178,548	184,818
Other creditors	89,009	17,998
Accruals and deferred income	171,854	202,664
	<u>4,026,604</u>	<u>3,327,711</u>

Barclays Bank Plc hold a debenture dated 5 4 07, and a Personal Guarantee in the sum of £50,000 from Mr S Dolphin

15. Creditors: amounts falling due after more than one year	2010 £	2009 £
Directors Loans	<u>223,875</u>	<u>242,875</u>

16. Provisions for liabilities	Deferred taxation (Note 17) £	Total £
At 1 April 2009	12,000	12,000
Movements in the year	4,000	4,000
At 31 March 2010	<u>8,000</u>	<u>8,000</u>

Wrekin Grain Limited

**Notes to the financial statements
for the year ended 31 March 2010**

continued

17. Provision for deferred taxation	2010 £	2009 £
Accelerated capital allowances	8,000	12,000
Provision for deferred tax	<u>8,000</u>	<u>12,000</u>
Provision at 1 April 2009	12,000	
Deferred tax credit in profit and loss account	<u>(4,000)</u>	
Provision at 31 March 2010	<u>8,000</u>	

Wrekin Grain Limited

**Notes to the financial statements
for the year ended 31 March 2010**

continued

18. Share capital	2010 £	2009 £
Authorised		
315 Ordinary A shares of £1 each	315	315
310 Ordinary B shares of £1 each	310	310
120 Ordinary C shares of £1 each	120	125
125 Ordinary D shares of £1 each	125	125
65 Ordinary E shares of £1 each	65	65
	<u>935</u>	<u>940</u>
 Allotted, called up and fully paid		
315 Ordinary A shares of £1 each	315	315
310 Ordinary B shares of £1 each	310	310
125 Ordinary C shares of £1 each	125	125
125 Ordinary D shares of £1 each	125	125
65 Ordinary E shares of £1 each	65	65
	<u>940</u>	<u>940</u>
 Equity Shares		
315 Ordinary A shares of £1 each	315	315
310 Ordinary B shares of £1 each	310	310
125 Ordinary C shares of £1 each	125	125
125 Ordinary D shares of £1 each	125	125
65 Ordinary E shares of £1 each	65	65
	<u>940</u>	<u>940</u>
 19. Reconciliation of movements in shareholders' funds	2010 £	2009 £
Profit for the year	468,560	474,779
Dividends	(348,240)	(238,565)
	<u>120,320</u>	<u>236,214</u>
Opening shareholders' funds	485,176	248,962
Closing shareholders' funds	<u>605,496</u>	<u>485,176</u>

Wrekin Grain Limited

Notes to the financial statements for the year ended 31 March 2010

continued

20. Financial commitments

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010	Other	2009
	£		£
Expiry date:			
Within one year	4,350		-
Between one and five years	45,624		63,024
	<u>49,974</u>		<u>63,024</u>

21. Related party transactions

The bank overdraft facility is covered by a personal guarantee from Mr S Dolphin in the sum of £50,000

Dividends in the sum of £348,240 have been paid to directors during the year split

S Dolphin	261,687
N Furniss	7,000
H Crawford	52,338
J Franklin	27,215

Interest has been charged by directors on the balances owed to them by the company split

S Dolphin	13,580
H Crawford	5,244
J Franklin	4,945

22. Controlling interest

The company is controlled by Mr S Dolphin by virtue of his and his wife's shareholdings

Wrekin Grain Limited

**Notes to the financial statements
for the year ended 31 March 2010**

continued

23. Gross cash flows

	2010	2009
	£	£
Returns on investments and servicing of finance		
Interest received	32	14,599
Interest paid	(24,151)	(19,954)
	<u>(24,119)</u>	<u>(5,355)</u>
Taxation		
Corporation tax paid	(153,758)	(94,218)
Capital expenditure		
Payments to acquire tangible assets	(35,936)	(58,226)
Receipts from sales of tangible assets	3,402	3,500
	<u>(32,534)</u>	<u>(54,726)</u>
Financing		
Other new long term loans	(19,000)	48,000

24. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	931,010	225,757	1,156,767
Debt due after one year	(242,875)	19,000	(223,875)
Net funds	<u>688,135</u>	<u>244,757</u>	<u>932,892</u>