

Registration no 988708

Warwick Ward (Machinery) Limited

Directors' Report and Abbreviated Financial Statements

for the Year Ended 30 September 2007



Pegasus House, 463a Glossop Road, Sheffield S10 2QD Telephone (0114) 266 7141

Warwick Ward (Machinery) Limited

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Warwick Ward (Machinery) Limited
Officers and Advisers

Directors	S M Ward
	T Ward
	A Ward
	M Ward
Secretary	S M Ward
Registered office	Blacker Hill Sidings Blacker Hill Barnsley S74 0RE
Auditors	Hawsons Chartered Accountants and Registered Auditors Pegasus House 463a Glossop Road Sheffield S10 2QD

Warwick Ward (Machinery) Limited

Directors' Report for the Year Ended 30 September 2007

The directors present their report and the audited financial statements for the year ended 30 September 2007

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP)

The directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, 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 a going concern basis unless it is inappropriate to presume that the company will continue in business,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Principal activity and business review

The principal activity of the company is dealing in plant and machinery.

The results for the company are detailed in the financial statements.

The external commercial environment is expected to remain competitive in the foreseeable future as the market place remains buoyant and the sourcing of good stock is important to be able to satisfy the demand in the market place.

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are considered to be the economic climate within the construction industry, which impacts on the demand for the company's products, and fluctuating exchange rates, which we would expect to have an effect on overseas trade, as would be the case for most businesses involved in exports in a price-driven marketplace.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Charitable and political donations

During the year the company made charitable donations of £802. A donation of £250 was made to The Sheffield Children's Hospital Charity. No other individual donation exceeded £200.

Directors and their interests

The directors who held office during the year were as follows:

S M Ward
T Ward
A Ward
M Ward

Retirement of directors

In accordance with the Articles of Association, S M Ward will retire from the board and being eligible, will stand for re-appointment.

Warwick Ward (Machinery) Limited
Directors' Report for the Year Ended 30 September 2007

continued

Statement of disclosure of information to auditors

The directors of the company who held office at the date of approval of this Annual Report as set out above each confirm that

- so far as they 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
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

The auditors, Hawsons Chartered Accountants, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985

Approved by the Board on 20.12.07 and signed on its behalf by

S M Ward.

S M Ward
Company Secretary

**Independent Auditors' Report to
Warwick Ward (Machinery) Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Warwick Ward (Machinery) Limited, set out on pages 5 to 14, together with the financial statements of the company for the year ended 30 September 2007 prepared under section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. 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 directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 14 are properly prepared in accordance with those provisions.



Hawsons Chartered Accountants
and Registered Auditors

Date 21 Dec 2007

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Warwick Ward (Machinery) Limited
Cash Flow Statement for the Year Ended 30 September 2007

		2007	2006
	Note	£	£
Net cash flow from operating activities	15	(160,141)	41,179
Returns on investment and servicing of finance	16	42,643	36,858
Taxation		(44,785)	(27,636)
Capital expenditure and financial investment	16	(167,798)	(134,810)
Equity dividends paid		(150,000)	(105,000)
Net cash flow		<u>(480,081)</u>	<u>(189,409)</u>

Reconciliation of net cash flow to movement in net debt

		2007	2006
	Note	£	£
Decrease in cash in the year	17	(480,081)	(189,409)
Change in net debt resulting from cash flows		(480,081)	(189,409)
 Net funds at the start of the year	17	<u>754,018</u>	<u>943,427</u>
Net funds at the end of the year	17	<u>273,937</u>	<u>754,018</u>

Warwick Ward (Machinery) Limited

Notes to the abbreviated accounts for the Year Ended 30 September 2007

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention

Turnover

Turnover represents amounts invoiced, net of value added tax, in respect of the sale of goods and services to customers

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Freehold property	2% straight line
Plant and machinery	20% straight line
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

Stock

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

Deferred taxation

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme

Dividends

Dividends are recognised as a liability in the period in which they are declared

2 Operating profit

Operating profit is stated after charging/(crediting)

	2007 £	2006 £
Audit fees	4,200	4,000
Foreign currency (gains)/losses	(1,638)	1,436
Loss on sale of tangible fixed assets	2,259	3,541
Depreciation of owned tangible fixed assets	46,045	32,026

Warwick Ward (Machinery) Limited

Notes to the abbreviated accounts for the Year Ended 30 September 2007

continued

3 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	2007 No.	2006 No.
Production	25	23
Administration	18	13
	<u>43</u>	<u>36</u>

The aggregate payroll costs of these persons were as follows

	2007 £	2006 £
Wages and salaries	1,062,744	1,406,684
Social security	113,489	161,554
Other pension costs	31,601	250,108
	<u>1,207,834</u>	<u>1,818,346</u>

4 Directors' emoluments

The directors' emoluments for the year are as follows

	2007 £	2006 £
Directors' emoluments (including benefits in kind)	284,115	752,212
Directors' pension contributions	18,222	238,032
	<u>302,337</u>	<u>990,244</u>

During the period the number of directors who were accruing benefits under company pension schemes was as follows

	2007 No	2006 No.
Money purchase	<u>3</u>	<u>3</u>

The aggregate of emoluments of the highest paid director was £115,903 (2006 - £304,980), and company pension contributions of £4,111 (2006 - £154,016) were made to a money purchase scheme on their behalf

Warwick Ward (Machinery) Limited

Notes to the abbreviated accounts for the Year Ended 30 September 2007

continued

5 Taxation

Analysis of current period tax charge

	2007 £	2006 £
Current tax		
Corporation tax charge	49,000	44,785
(Over)/under provision in previous year	-	(364)
UK Corporation tax	<u>49,000</u>	<u>44,421</u>
Deferred tax		
Origination and reversal of timing differences	-	(1,000)
Total tax on profit on ordinary activities	<u>49,000</u>	<u>43,421</u>

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is lower than (2006 - higher than) the standard rate of corporation tax in the UK of 19.50% (2006 - 19.00%)

The differences are reconciled below

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>254,429</u>	<u>225,426</u>
Standard rate corporation tax charge	49,614	42,831
Expenses not deductible for tax purposes	963	474
Accelerated capital allowances	(2,072)	1,480
Other differences	495	(364)
Total current tax for the year	<u>49,000</u>	<u>44,421</u>

Warwick Ward (Machinery) Limited

Notes to the abbreviated accounts for the Year Ended 30 September 2007

continued

6 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
As at 1 October 2006	366,781	76,294	103,759	86,028	632,862
Additions	59,999	5,475	19,784	120,040	205,298
Disposals	-	-	-	(63,440)	(63,440)
As at 30 September 2007	<u>426,780</u>	<u>81,769</u>	<u>123,543</u>	<u>142,628</u>	<u>774,720</u>
Depreciation					
As at 1 October 2006	104,216	68,557	74,030	33,092	279,895
Eliminated on disposals	-	-	-	(23,681)	(23,681)
Charge for the year	<u>8,446</u>	<u>3,103</u>	<u>9,576</u>	<u>24,920</u>	<u>46,045</u>
As at 30 September 2007	<u>112,662</u>	<u>71,660</u>	<u>83,606</u>	<u>34,331</u>	<u>302,259</u>
Net book value					
As at 30 September 2007	<u>314,118</u>	<u>10,109</u>	<u>39,937</u>	<u>108,297</u>	<u>472,461</u>
As at 30 September 2006	<u>262,565</u>	<u>7,737</u>	<u>29,729</u>	<u>52,936</u>	<u>352,967</u>

7 Stocks and work in progress

	2007 £	2006 £
Goods for resale	<u>2,446,326</u>	<u>1,751,451</u>

8 Debtors

	2007 £	2006 £
Trade debtors	483,887	256,295
Other debtors	10,791	38,573
Prepayments and accrued income	<u>21,481</u>	<u>17,643</u>
	<u>516,159</u>	<u>312,511</u>

Warwick Ward (Machinery) Limited
Abbreviated Profit and Loss Account for the Year Ended 30 September 2007

	Note	2007 £	2006 £
Gross profit		1,613,838	2,117,651
Administrative expenses		(1,402,052)	(1,929,083)
Operating profit	2	<u>211,786</u>	<u>188,568</u>
Other interest receivable and similar income		42,643	36,858
Profit on ordinary activities before taxation		<u>254,429</u>	<u>225,426</u>
Tax on profit on ordinary activities	5	(49,000)	(43,421)
Profit for the financial year		<u><u>205,429</u></u>	<u><u>182,005</u></u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

There is no material difference between the result reported above and the result on an unmodified historical cost basis

Warwick Ward (Machinery) Limited
Abbreviated Balance Sheet as at 30 September 2007

		2007		2006	
	Note	£	£	£	£
Fixed assets					
Tangible assets	6		472,461		352,967
Current assets					
Stocks	7	2,446,326		1,751,451	
Debtors	8	516,159		312,511	
Cash at bank and in hand		<u>273,937</u>		<u>754,018</u>	
		3,236,422		2,817,980	
Creditors Amounts falling due within one year	9	<u>(1,354,854)</u>		<u>(872,347)</u>	
Net current assets			<u>1,881,568</u>		<u>1,945,633</u>
Total assets less current liabilities			2,354,029		2,298,600
Provisions for liabilities	10		<u>(7,000)</u>		<u>(7,000)</u>
Net assets			<u>2,347,029</u>		<u>2,291,600</u>
Capital and reserves					
Called up share capital	11		10,000		10,000
Profit and loss reserve	12		<u>2,337,029</u>		<u>2,281,600</u>
Equity shareholders' funds	13		<u>2,347,029</u>		<u>2,291,600</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

These financial statements were approved and authorised for issue by the Board on
signed on its behalf by

20/12/07 and



A Ward
Director



M Ward
Director

Warwick Ward (Machinery) Limited

Notes to the abbreviated accounts for the Year Ended 30 September 2007

continued

9 Creditors Amounts falling due within one year

	2007 £	2006 £
Trade creditors	1,147,119	180,555
Corporation tax	49,000	44,785
Social security and other taxes	38,303	43,479
Other creditors	39,633	12,703
Accruals and deferred income	80,799	590,825
	<u>1,354,854</u>	<u>872,347</u>

10 Provisions for liabilities

	Deferred tax provision £
As at 1 October 2006	7,000
Deferred tax provision charged to the profit and loss account	-
As at 30 September 2007	<u>7,000</u>

Deferred tax

Deferred tax is provided at 20.00% (2006 - 19.00%)

	2007 £	2006 £
Accelerated capital allowances	<u>7,000</u>	<u>7,000</u>

11 Share capital

	2007 £	2006 £
Authorised		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Warwick Ward (Machinery) Limited

Notes to the abbreviated accounts for the Year Ended 30 September 2007

continued

12 Reserves

	Profit and loss reserve £
Balance at 1 October 2006	2,281,600
Transfer from profit and loss account for the year	205,429
Equity dividends paid	(150,000)
Balance at 30 September 2007	<u>2,337,029</u>

13 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Profit attributable to members of the company	205,429	182,005
Dividends	<u>(150,000)</u>	<u>(105,000)</u>
	55,429	77,005
Opening equity shareholders' funds	<u>2,291,600</u>	<u>2,214,595</u>
Closing equity shareholders' funds	<u>2,347,029</u>	<u>2,291,600</u>

14 Pension schemes

The company operates a defined contribution pension scheme, the assets of which are held in a separate trustee administered fund. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £31,601 (2006 £250,108).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Warwick Ward (Machinery) Limited

Notes to the abbreviated accounts for the Year Ended 30 September 2007

continued

15 Reconciliation of operating profit to operating cash flows

	2007 £	2006 £
Operating profit	211,786	188,568
Depreciation, amortisation and impairment charges	46,045	32,026
Loss on disposal of fixed assets	2,259	3,541
Increase in stocks	(694,875)	(36,515)
Increase in debtors	(203,648)	(62,414)
Increase/(decrease) in creditors	478,292	(84,027)
Net cash (outflow)/inflow from operating activities	(160,141)	41,179

16 Analysis of cash flows

	2007 £	2006 £
Returns on investment and servicing of finance		
Interest received	42,643	36,858
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(205,298)	(143,746)
Sale of tangible fixed assets	37,500	8,936
	(167,798)	(134,810)

17 Analysis of net funds

	At start of period £	Cash flow £	At end of period £
Cash at bank and in hand	754,018	(480,081)	273,937

18 Controlling party

The company has no ultimate controlling party