

Registration no 988708

Warwick Ward (Machinery) Limited

Directors' Report and Financial Statements
for the Year Ended 30 September 2009

WEDNESDAY



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COMPANIES HOUSE



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 2009

The directors present their report and the audited financial statements for the year ended 30 September 2009

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

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

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 2006. 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 directors consider the results for the year and the financial position at the end of the year as set out in these financial statements to be satisfactory

This year has seen operating conditions as tough as we have ever experienced. The construction sector has shown little or no signs of recovery and the economy, as everyone is aware, is still very much in recession. The year ahead will continue to be challenging but we are hopeful that our diverse range of products and markets and our knowledge of the market place will keep us competitive. Exchange rates will again be key to our overseas business.

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 impact on overseas trade, as would be the case for most businesses involved in exports in a price-driven market place. Also, the willingness of the banks to lend money to our clients will be critical to any potential upturn in trade.

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for the reader of the accounts to gain an understanding of the development, performance or position of the business.

Warwick Ward (Machinery) Limited
Directors' Report for the Year Ended 30 September 2009

continued

Charitable and political donations

During the year the company made charitable donations of £3,840. There were no individual donations in excess of £2,000.

Directors

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, M Ward will retire from the board and being eligible, will stand for re-appointment.

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, have signified their willingness to remain in office and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 8-3-10 and signed on its behalf by

S. M. Ward.

S M Ward
Company Secretary

Independent Auditors' Report to the Members of Warwick Ward (Machinery) Limited

We have audited the financial statements of Warwick Ward (Machinery) Limited for the year ended 30 September 2009 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement 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 members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our work has been undertaken so that we might state to the company's members 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 members 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 on page 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 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.

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 30 September 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with the 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.

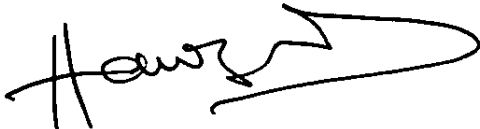
**Independent Auditors' Report to the Members of
Warwick Ward (Machinery) Limited**

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



Martyn Weatherall (Senior Statutory Auditor)

for and on behalf of Hawsons Chartered
Accountants, Statutory Auditor

10 March 2010

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Warwick Ward (Machinery) Limited
Profit and Loss Account for the Year Ended 30 September 2009

	Note	2009 £	2008 £
Turnover	2	11,360,658	11,796,040
Cost of sales		(9,329,676)	(9,660,784)
Gross profit		<u>2,030,982</u>	<u>2,135,256</u>
Administrative expenses		(2,024,744)	(1,868,674)
Operating profit	3	<u>6,238</u>	<u>266,582</u>
Other interest receivable and similar income		5,809	33,940
Profit on ordinary activities before taxation		<u>12,047</u>	<u>300,522</u>
Tax on profit on ordinary activities	6	(5,165)	(61,480)
Profit for the financial year		<u>6,882</u>	<u>239,042</u>
Retained profit for the financial year		<u><u>6,882</u></u>	<u><u>239,042</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

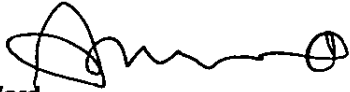
The notes on pages 9 to 16 form an integral part of these financial statements

Warwick Ward (Machinery) Limited
Registration no: 988708

Balance Sheet as at 30 September 2009

		2009		2008	
	Note	£	£	£	£
Fixed assets					
Tangible assets	7		428,455		478,708
Current assets					
Stocks	8	2,617,158		3,149,503	
Debtors	9	847,778		1,107,861	
Cash at bank and in hand		368,834		787,372	
		<u>3,833,770</u>		<u>5,044,736</u>	
Creditors: Amounts falling due within one year	10	<u>(1,650,272)</u>		<u>(2,988,373)</u>	
Net current assets			<u>2,183,498</u>		<u>2,056,363</u>
Total assets less current liabilities			2,611,953		2,535,071
Creditors: Amounts falling due after more than one year	11		(131,000)		-
Provisions for liabilities	12		<u>(8,000)</u>		<u>(9,000)</u>
Net assets			<u>2,472,953</u>		<u>2,526,071</u>
Capital and reserves					
Called up share capital	13		10,000		10,000
Profit and loss reserve	14		<u>2,462,953</u>		<u>2,516,071</u>
Equity shareholders' funds	15		<u>2,472,953</u>		<u>2,526,071</u>

These financial statements were approved and authorised for issue by the Board on 8-3-10 and signed on its behalf by


A Ward
Director


M Ward
Director

The notes on pages 9 to 16 form an integral part of these financial statements

Warwick Ward (Machinery) Limited
Cash Flow Statement for the Year Ended 30 September 2009

		2009	2008
	Note	£	£
Net cash flow from operating activities	18	(285,636)	653,066
Returns on investment and servicing of finance	19	5,809	33,940
Taxation	19	(60,165)	(48,480)
Capital expenditure and financial investment	19	(18,546)	(65,091)
Equity dividends paid		(60,000)	(60,000)
Net cash flow		<u>(418,538)</u>	<u>513,435</u>

Reconciliation of net cash flow to movement in net debt

		2009	2008
	Note	£	£
(Decrease)/increase in cash in the year	20	(418,538)	513,435
Change in net funds resulting from cash flows		<u>(418,538)</u>	<u>513,435</u>
 Net funds at the start of the year	 20	 <u>787,372</u>	 <u>273,937</u>
Net funds at the end of the year	 20	 <u><u>368,834</u></u>	 <u><u>787,372</u></u>

Warwick Ward (Machinery) Limited

Notes to the Financial Statements for the Year Ended 30 September 2009

1 Accounting policies

Basis of preparation

The financial statements 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.

Warwick Ward (Machinery) Limited

Notes to the Financial Statements for the Year Ended 30 September 2009

continued

2 Turnover

An analysis of turnover by geographical market is given below

	2009 £	2008 £
Sales - UK	8,625,947	8,761,800
Sales - Europe	1,955,138	2,258,140
Sales - Rest of world	779,573	776,100
	<u>11,360,658</u>	<u>11,796,040</u>

3 Operating profit

Operating profit is stated after charging/(crediting)

	2009 £	2008 £
Auditors' remuneration - audit services	5,100	5,000
Foreign currency gains	(7,131)	(4,519)
Loss on sale of tangible fixed assets	11,322	4,287
Depreciation of owned tangible fixed assets	<u>57,477</u>	<u>54,557</u>

4 Particulars of employees

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

	2009 No.	2008 No.
Production	23	24
Administration	22	20
	<u>45</u>	<u>44</u>

The aggregate payroll costs of these persons were as follows

	2009 £	2008 £
Wages and salaries	1,699,727	1,562,910
Social security costs	199,632	170,469
Other pension costs	30,144	35,684
	<u>1,929,503</u>	<u>1,769,063</u>

Warwick Ward (Machinery) Limited

Notes to the Financial Statements for the Year Ended 30 September 2009

continued

5 Directors' emoluments

The directors' emoluments for the year are as follows

	2009 £	2008 £
Directors' remuneration (including benefits in kind)	743,877	652,363
Directors' money purchase schemes	13,000	18,408
	<u>756,877</u>	<u>670,771</u>

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

	2009 No.	2008 No.
Money purchase	<u>3</u>	<u>3</u>

The aggregate of emoluments of the highest paid director was £327,442 (2008 - £288,820), and company pension contributions of £1,500 (2008 - £2,704) were made to a money purchase scheme on his behalf

6 Taxation

Analysis of current period tax charge

	2009 £	2008 £
Current tax		
Corporation tax charge	6,000	60,000
(Over)/under provision in previous year	165	(520)
UK Corporation tax	<u>6,165</u>	<u>59,480</u>
Deferred tax		
Origination and reversal of timing differences	<u>(1,000)</u>	<u>2,000</u>
Total tax on profit on ordinary activities	<u>5,165</u>	<u>61,480</u>

Warwick Ward (Machinery) Limited

Notes to the Financial Statements for the Year Ended 30 September 2009

continued

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is higher than (2008 - lower than) the standard rate of corporation tax in the UK of 21.00% (2008 - 20.50%)

The differences are reconciled below

	2009 £	2008 £
Profit on ordinary activities before taxation	12,047	300,522
Standard rate corporation tax charge	2,530	61,607
Expenses not deductible for tax purposes	576	1,247
Accelerated capital allowances	3,117	(2,689)
Other differences	(58)	(685)
Total current tax for the year	6,165	59,480

7 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
As at 1 October 2008	426,780	81,769	131,746	186,316	826,611
Additions	-	800	1,565	41,381	43,746
Disposals	-	-	-	(64,749)	(64,749)
As at 30 September 2009	426,780	82,569	133,311	162,948	805,608
Depreciation					
As at 1 October 2008	121,198	74,814	95,080	56,811	347,903
Eliminated on disposals	-	-	-	(28,227)	(28,227)
Charge for the year	8,536	3,137	11,951	33,853	57,477
As at 30 September 2009	129,734	77,951	107,031	62,437	377,153
Net book value					
As at 30 September 2009	297,046	4,618	26,280	100,511	428,455
As at 30 September 2008	305,582	6,955	36,666	129,505	478,708

Warwick Ward (Machinery) Limited

Notes to the Financial Statements for the Year Ended 30 September 2009

continued

8 Stocks and work in progress

	2009 £	2008 £
Goods for resale	<u>2,617,158</u>	<u>3,149,503</u>

9 Debtors

	2009 £	2008 £
Trade debtors	570,114	899,675
Other debtors	148,615	67,957
Prepayments and accrued income	<u>129,049</u>	<u>140,229</u>
	<u>847,778</u>	<u>1,107,861</u>

Debtors includes £131,000 (2008 - £nil) recoverable after more than one year

This can be analysed as follows

	2009 £	2008 £
Other debtors	<u>131,000</u>	<u>-</u>

10 Creditors: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	775,766	2,128,003
Corporation tax	6,000	60,000
Social security and other taxes	33,354	56,184
Other creditors	129,233	16,668
Accruals and deferred income	<u>705,919</u>	<u>727,518</u>
	<u>1,650,272</u>	<u>2,988,373</u>

11 Creditors: Amounts falling due after more than one year

	2009 £	2008 £
Other creditors	<u>131,000</u>	<u>-</u>

Warwick Ward (Machinery) Limited
Notes to the Financial Statements for the Year Ended 30 September 2009

continued

12 Provisions for liabilities

	Deferred tax provision £
As at 1 October 2008	9,000
Deferred tax provision charged to the profit and loss account	<u>(1,000)</u>
As at 30 September 2009	<u>8,000</u>

13 Share capital

	2009 £	2008 £
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>

14 Reserves

	Profit and loss reserve £
Balance at 1 October 2008	2,516,071
Transfer from profit and loss account for the year	6,882
Dividends	<u>(60,000)</u>
Balance at 30 September 2009	<u>2,462,953</u>

15 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit attributable to members of the company	6,882	239,042
Dividends	<u>(60,000)</u>	<u>(60,000)</u>
	(53,118)	179,042
Opening equity shareholders' funds	<u>2,526,071</u>	<u>2,347,029</u>
Closing equity shareholders' funds	<u>2,472,953</u>	<u>2,526,071</u>

Warwick Ward (Machinery) Limited

Notes to the Financial Statements for the Year Ended 30 September 2009

continued

16 Other financial commitments

During the year, the company has sold goods and entered into contractual commitments to repurchase them in substantially depreciated form, at an agreed price, at some future date to be determined under the contract. At the year end, as a result of these contracts, the company has recognised liabilities of £131,000 (2008: £nil) within other creditors due after more than one year and also recognised residual interests in goods of £131,000 (2008: £nil) within other debtors.

17 Pension schemes

The company operates an 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 £30,144 (2008: £35,684).

As at 30 September 2008 there were outstanding pension contributions of £360 (2008: £1,240) included within other creditors and no prepaid contributions (2008: £nil).

18 Reconciliation of operating profit to operating cash flows

	2009 £	2008 £
Operating profit	6,238	266,582
Depreciation, amortisation and impairment charges	57,477	54,557
Loss on disposal of fixed assets	11,322	4,287
Decrease/(increase) in stocks	532,345	(703,177)
Decrease/(increase) in debtors	260,083	(591,702)
(Decrease)/increase in creditors	(1,153,101)	1,622,519
Net cash (outflow)/inflow from operating activities	(285,636)	653,066

19 Analysis of cash flows

	2009 £	2008 £
Returns on investment and servicing of finance		
Interest received	5,809	33,940
Taxation		
Taxation paid	(60,165)	(48,480)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(43,746)	(90,091)
Sale of tangible fixed assets	25,200	25,000
	(18,546)	(65,091)

Warwick Ward (Machinery) Limited
Notes to the Financial Statements for the Year Ended 30 September 2009

continued

20 Analysis of net funds

	At start of period £	Cash flow £	At end of period £
Cash at bank and in hand	<u>787,372</u>	<u>(418,538)</u>	<u>368,834</u>

21 Post balance sheet events

Since the year end, the directors have declared a dividend of £60,000

22 Controlling party

The company has no ultimate controlling party