

Arthur Brook Limited

Registered number 00585297

Abbreviated accounts

For the year ended 31 March 2012

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ARTHUR BROOK LIMITED

COMPANY INFORMATION

Director	W Griffiths
Company secretary	S Griffiths
Company number	00585297
Registered office	Low Mill Lane Ravensthorpe Industrial Estate Dewsbury West Yorkshire WF13 3LN
Auditors	Mazars LLP Chartered Accountants & Statutory Auditor Mazars House Gelderd Road Gildersome Leeds LS27 7JN
Bankers	Barclays Bank PLC Market Place Dewsbury WF13 1PS

ARTHUR BROOK LIMITED

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ARTHUR BROOK LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2012

The director presents his report and the financial statements for the year ended 31 March 2012

Director's responsibilities statement

The director is responsible for preparing the Director's Report 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 judgments 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.

Principal activities

The principal activity of the company continued to be that of iron, steel and metal merchants.

Business review

In extremely difficult, challenging and changing market conditions the Director is pleased to report that turnover has more than doubled compared to the prior year.

Margins have fallen due to the significant reduction in the market price of scrap metal and due to the competitive market place.

Significant investment was made during the year in plant and machinery which continues to help the company increase capacity, gain market share and improve operating efficiencies.

The Director is confident that with the investments made and the improvements in working practices that the company will increase its profitability and cash generation in the forthcoming year and this is confirmed by the post year end results which are extremely pleasing.

The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

Results

The profit for the year, after taxation, amounted to £612,074 (2011 - £1,656,232).

ARTHUR BROOK LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2012

Director

The director who served during the year was

W Griffiths

Provision of information to auditors

The director at the time when this Director's Report is approved has confirmed that

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

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 24th January 2013 and signed on its behalf

W Griffiths
Director

A handwritten signature in black ink, consisting of a series of overlapping loops and a long horizontal stroke extending to the left.

ARTHUR BROOK LIMITED

INDEPENDENT AUDITORS' REPORT TO ARTHUR BROOK LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 14 together with the financial statements of Arthur Brook Limited for the year ended 31 March 2012 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. This report, including our opinion, has been prepared for and only for the company's members as a body. 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 this 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 work, for this report, or for the opinions we have formed.

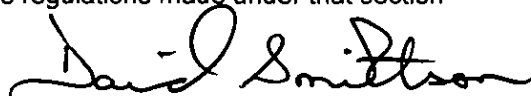
Basis of opinion

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 are properly prepared.

The scope of our work for the purpose of this report does not include examining events occurring after the date of our Auditors' Report on the full financial statements.

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.



David Smithson (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Mazars House
Gelderd Road
Gildersome
Leeds
LS27 7JN

Date *24 January 2013*

ARTHUR BROOK LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 £	2011 £
Turnover	1	16,360,680	7,663,588
Gross profit		1,897,301	2,856,961
Administrative expenses		(1,143,864)	(587,360)
Operating profit	2	753,437	2,269,601
Interest receivable and similar income		3,891	-
Interest payable and similar charges	5	(16,106)	(447)
Profit on ordinary activities before taxation		741,222	2,269,154
Tax on profit on ordinary activities		(129,148)	(612,922)
Profit for the financial year	12	612,074	1,656,232

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and Loss Account

The notes on pages 7 to 14 form part of these financial statements

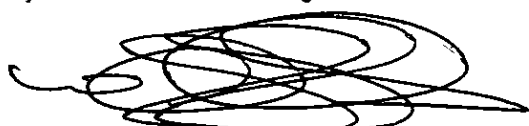
ARTHUR BROOK LIMITED

Registered number 00585297

ABBREVIATED BALANCE SHEET**AS AT 31 MARCH 2012**

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets			2,309,548		1,160,962
Current assets					
Stocks	6	400,000		400,000	
Debtors amounts falling due after more than one year	7	819,373		-	
Debtors amounts falling due within one year	7	1,637,678		1,647,800	
Cash at bank and in hand		56,075		384,039	
			<u>2,913,126</u>	<u>2,431,839</u>	
Creditors amounts falling due within one year	8	(1,793,635)		(1,262,040)	
Net current assets			<u>1,119,491</u>		<u>1,169,799</u>
Total assets less current liabilities			<u>3,429,039</u>		<u>2,330,761</u>
Creditors amounts falling due after more than one year	9		(454,705)		-
Provisions for liabilities					
Deferred tax	10		(87,550)		(56,051)
Net assets			<u>2,886,784</u>		<u>2,274,710</u>
Capital and reserves					
Called up share capital	11		3,800		3,800
Revaluation reserve	12		667,001		667,001
Other reserves	12		1,200		1,200
Profit and loss account	12		2,214,783		1,602,709
Shareholders' funds	13		<u>2,886,784</u>		<u>2,274,710</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 24th January 2013.



W Griffiths
Director

The notes on pages 7 to 14 form part of these financial statements

ARTHUR BROOK LIMITED

ABBREVIATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 £	2011 £
Net cash flow from operating activities	15	363,596	1,443,872
Returns on investments and servicing of finance	16	(12,215)	(447)
Taxation		(635,060)	(78,139)
Capital expenditure and financial investment	16	(1,376,955)	(13,293)
Equity dividends paid		-	(970,543)
Cash (outflow)/inflow before financing		(1,660,634)	381,450
Financing	16	660,731	-
(Decrease)/Increase in cash in the year		(999,903)	381,450

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
(Decrease)/Increase in cash in the year	(999,903)	381,450
Cash inflow from increase in debt and lease financing	(660,731)	-
Change in net debt resulting from cash flows	(1,660,634)	381,450
Other non-cash changes	-	1
Movement in net debt in the year	(1,660,634)	381,451
Net funds at 1 April 2011	384,039	2,588
Net (debt)/funds at 31 March 2012	(1,276,595)	384,039

The notes on pages 7 to 14 form part of these financial statements

ARTHUR BROOK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with applicable accounting standards

1.2 Going concern

The financial statements have been prepared on a going concern basis

The directors have reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

The directors believe that the company is well placed to manage its business risks successfully

1.3 Turnover

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

1.4 Tangible fixed assets and depreciation

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

Freehold property	-	2% straight line
Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	20% reducing balance

1.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and Loss Account

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

ARTHUR BROOK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

1. Accounting Policies (continued)

1.7 Stocks

Stock quantities are estimated by the directors on the basis of year end physical inspection and are valued on the basis of prevailing scrap metal prices during the estimated stock holding period

1.8 Deferred taxation

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

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements

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

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

Deferred tax assets and liabilities are discounted

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

2. Operating profit

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	129,933	117,078
- held under finance leases	98,435	-
Auditors' remuneration	7,200	5,500
Profit/loss on sale of tangible assets	-	(907)
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ARTHUR BROOK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

3. Staff costs

Staff costs, including director's remuneration, were as follows

	2012 £	2011 £
Wages and salaries	283,540	222,075
Social security costs	25,895	20,207
Other pension costs	132	132
	<u>309,567</u>	<u>242,414</u>

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

	2012 No.	2011 No.
Director	1	1
Administration	3	3
Production	11	9
	<u>15</u>	<u>13</u>

4. Director's remuneration

	2012 £	2011 £
Emoluments	<u>1,043</u>	<u>-</u>

5. Interest payable

	2012 £	2011 £
On bank loans and overdrafts	903	447
On finance leases and hire purchase contracts	14,380	-
Other interest payable	823	-
	<u>16,106</u>	<u>447</u>

6. Stocks

	2012 £	2011 £
Finished goods and goods for resale	<u>400,000</u>	<u>400,000</u>

ARTHUR BROOK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

7 Debtors

	2012 £	2011 £
Due after more than one year		
Amounts owed by group undertakings	819,373	-
	<u>819,373</u>	<u>-</u>
Due within one year		
Trade debtors	1,188,558	1,581,048
Amounts owed by group undertakings	339,692	-
Other debtors	107,370	2,940
Prepayments and accrued income	2,058	63,812
	<u>1,637,678</u>	<u>1,647,800</u>

8 Creditors

Amounts falling due within one year

	2012 £	2011 £
Bank overdraft	671,939	-
Net obligations under hire purchase contracts	206,026	-
Trade creditors	278,013	351,436
Amounts owed to group undertakings	289,883	54,843
Corporation tax	96,319	633,730
Social security and other taxes	7,160	136,368
Other creditors	20,193	32,728
Accruals and deferred income	224,102	52,935
	<u>1,793,635</u>	<u>1,262,040</u>

Amounts owed under hire purchase agreements are secured on the assets to which they relate

9. Creditors.

Amounts falling due after more than one year

	2012 £	2011 £
Net obligations under finance leases and hire purchase contracts	454,705	-
	<u>454,705</u>	<u>-</u>

ARTHUR BROOK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

9 Creditors: Amounts falling due after more than one year (continued)

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

	2012 £	2011 £
Between one and five years	454,705	-

Amounts owed under hire purchase agreements are secured on the assets to which they relate

10. Deferred taxation

	2012 £	2011 £
At beginning of year	56,051	76,740
Charge for/(released during) year	31,499	(20,689)
At end of year	87,550	56,051

The provision for deferred taxation is made up as follows

	2012 £	2011 £
Accelerated capital allowances	87,550	56,051

11 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
3,800 Ordinary Shares shares of £1 each	3,800	3,800

12 Reserves

	Revaluation reserve £	Other reserves £	Profit and loss account £
At 1 April 2011	667,001	1,200	1,602,709
Profit for the year	-	-	612,074
At 31 March 2012	667,001	1,200	2,214,783

ARTHUR BROOK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

13. Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Opening shareholders' funds	2,274,710	1,589,021
Profit for the year	612,074	1,656,232
Dividends (Note 14)	-	(970,543)
Closing shareholders' funds	<u>2,886,784</u>	<u>2,274,710</u>

14 Dividends

	2012 £	2011 £
Dividends paid on equity capital	<u>-</u>	<u>970,543</u>

15. Net cash flow from operating activities

	2012 £	2011 £
Operating profit	753,437	2,269,601
Depreciation of tangible fixed assets	228,368	117,078
Profit on disposal of tangible fixed assets	-	(907)
Decrease in stocks	-	55,000
Increase in debtors	(469,559)	(1,115,199)
Increase in amounts owed by group undertakings	(339,692)	-
(Decrease)/increase in creditors	(43,998)	63,456
Increase in amounts owed to group undertakings	235,040	54,843
Net cash inflow from operating activities	<u>363,596</u>	<u>1,443,872</u>

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

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	3,891	-
Interest paid	(1,726)	(447)
Hire purchase interest	(14,380)	-
Net cash outflow from returns on investments and servicing of finance	<u>(12,215)</u>	<u>(447)</u>

ARTHUR BROOK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

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

	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,376,955)	(20,118)
Sale of tangible fixed assets	-	6,825
Net cash outflow from capital expenditure	(1,376,955)	(13,293)
	2012 £	2011 £
Financing		
New finance leases	660,731	-

17. Analysis of changes in net debt

	1 April 2011 £	Cash flow £	Other non-cash changes £	31 March 2012 £
Cash at bank and in hand	384,039	(327,964)	-	56,075
Bank overdraft	-	(671,939)	-	(671,939)
	384,039	(999,903)	-	(615,864)
Debt:				
Debts due within one year	-	(660,731)	454,705	(206,026)
Debts falling due after more than one year	-	-	(454,705)	(454,705)
Net funds	384,039	(1,660,634)	-	(1,276,595)

ARTHUR BROOK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

18. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £132 (2011 - £132).

19. Related party transactions

The company is exempt under FRS 8 from disclosing transactions with other group companies. The consolidated financial statements for the group can be obtained from the ultimate parent company's registered office at Low Mill Lane, Ravensthorpe Industrial Estate, Dewsbury, WF13 3LN.

W Griffiths is the director of the company and has a loan balance with the company.

The balance outstanding is listed below:

	2012 £	2011 £
W Griffiths	(7,903)	(28,878)

20. Ultimate parent undertaking and controlling party

The ultimate parent company is W G Commercial (Holdings) Limited, a company incorporated in England and Wales.

The ultimate controlling party is W Griffiths, a director of the company.