

Company number 02852052

**WINKWORTH MACHINERY LIMITED**

**FINANCIAL STATEMENTS**

**31 MAY 2013**

THURSDAY



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20/02/2014

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COMPANIES HOUSE

**DIRECTORS AND OFFICERS**

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**DIRECTORS**

G Jamieson (Managing Director)

T Simpson

J W D Winkworth (Chairman)

**REGISTERED OFFICE**

Willow Tree Works  
Swallowfield Street  
Swallowfield  
Berkshire RG7 1QX

**AUDITOR**

Baker Tilly UK Audit LLP  
Chartered Accountants  
3rd Floor  
One London Square  
Cross Lanes  
Guildford  
Surrey GU1 1UN

**DIRECTORS' REPORT**

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The directors submit their report and the financial statements of Winkworth Machinery Limited for the year ended 31 May 2013

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was the manufacture of mixing machinery and merchandising of used machinery

**RESULTS AND DIVIDENDS**

The profit for the year after taxation was £273,675 (2012 £119,143). This amount has been transferred to reserves. The directors do not recommend the payment of a dividend.

**DIRECTORS**

The following directors have held office since 1 June 2012 -

G Jamieson  
T Simpson  
J W D Winkworth (resigned on 29 November 2013)

**AUDITOR**

The auditor Baker Tilly UK Audit LLP Chartered Accountants has indicated its willingness to continue in office.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR**

The directors who were in the office on the date of approval of these financial statements have confirmed that as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors has confirmed that 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 it has been communicated to the auditor.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



G Jamieson

Director

19/12/

2013

**DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF  
FINANCIAL STATEMENTS**

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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 period

In preparing those financial statements the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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 taking reasonable steps for the prevention and detection of fraud and other irregularities

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WINKWORTH MACHINERY LIMITED**

We have audited the financial statements on pages 5 to 12. 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 Chapter 3 of Part 16 of the Companies Act 2006. Our audit 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 auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 and express an opinion on 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).asp](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).asp).

**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 31 May 2013 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.

**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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.



Christopher Hurren FCA (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
3rd Floor  
One London Square  
Cross Lanes  
Guildford  
Surrey GU1 1UN

**23 December** 2013

**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 May 2013

	Notes	2013	2012
<b>TURNOVER</b>	1	5,475,716	5,512,812
Cost of sales		(3,322,431)	(3,456,861)
Gross profit		<u>2,153,285</u>	<u>2,055,951</u>
Other operating expenses (net)	2	(1,867,638)	(1,908,452)
<b>OPERATING PROFIT</b>		<u>285,647</u>	<u>147,499</u>
Interest receivable	3	59	317
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	<u>285,706</u>	<u>147,816</u>
Tax on profit on ordinary activities	6	(12,031)	(28,673)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	13	<u>£ 273,675</u>	<u>£ 119,143</u>

The operating profit for the year arises from the company's continuing operations

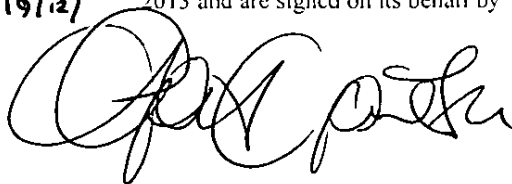
No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

**BALANCE SHEET (Company Registration Number 02852052)**  
**31 May 2013**

	Note	2013	2012
<b>FIXED ASSETS</b>			
Tangible assets	7	88 269	141 642
<b>CURRENT ASSETS</b>			
Stocks	8	663 437	660 478
Debtors	9	1,771 702	1 674 239
Cash at bank and in hand		422 768	104 553
		<u>2,857 907</u>	<u>2 439 270</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(1 360 982)	(1,256,146)
<b>NET CURRENT ASSETS</b>			
		<u>1,496 925</u>	<u>1,183,124</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>1,585 194</u>	<u>1 324 766</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
	11	(12,140)	(25 387)
		<u>£ 1 573 054</u>	<u>£ 1 299 379</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	50,000	50 000
Profit and loss account	13	1,523 054	1,249 379
<b>SHAREHOLDERS' FUNDS</b>			
	14	<u>£ 1,573 054</u>	<u>£ 1 299 379</u>

The financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime

The financial statements on pages 5 to 12 were approved by the board of directors and authorised for issue on 19/12/2013 and are signed on its behalf by



G Jamieson  
 Director

Financial statements for the year ended 31 May 2013

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

### GOING CONCERN

In preparing the accounts on the going concern basis the directors have reviewed the projections for the forthcoming 12 month period from the date of signing of these financial statements. Based on the level of existing cash, projected income and expenditure, the directors are satisfied that the company have adequate resources to continue for a period of at least 12 months from approval of the financial statements as a result the directors consider it appropriate for the financial statements to be prepared on the going concern basis

### TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost net of depreciation and any provision for impairment

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life as follows -

Plant and equipment over 3 to 8 years

### STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated normal selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items

### DEFERRED TAXATION

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future that have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax is measured on a non-discounted basis

### PENSIONS

The company operates a pension scheme for certain employees providing benefits based on contributions. The assets 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

### TURNOVER

Turnover represents the value, net of Value Added Tax, of goods sold and services provided to customers. Turnover is recognised upon customer acceptance of products

### FOREIGN CURRENCIES

Assets and liabilities denoted in foreign currencies are translated at the rate of exchange ruling at the balance sheet date

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account

### OPERATING LEASES

Assets held under operating leases are charged to the profit and loss account on a straight line basis over the lease term



NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 May 2013

	2013	2012
<b>1</b>	<b>TURNOVER</b>	
	Sales were made in the following geographical markets	
	United Kingdom	3,037,516
	Rest of the world	3,483,200
	2,438,200	2,029,612
	<u>£ 5,475,716</u>	<u>£ 5,512,812</u>
	=====	=====
<b>2</b>	<b>OTHER OPERATING EXPENSES (NET)</b>	
	Sales & Distribution costs	890,327
	Administration expenses	919,638
	Other operating income	1,003,046
	(25,735)	994,366
	(5,552)	(5,552)
	<u>£ 1,867,638</u>	<u>£ 1,908,452</u>
	=====	=====
<b>3</b>	<b>INTEREST RECEIVABLE</b>	
	Bank interest	£ 59
	£ 59	£ 317
	=====	=====
<b>4</b>	<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	
	Profit on ordinary activities before taxation is stated after charging/(crediting)	
	Depreciation	73,072
	Profit on disposal of fixed assets	78,483
	Auditor's remuneration	(39,456)
	Operating lease rentals	(85,418)
	- plant and machinery	13,104
	11,918	12,500
	<u>11,918</u>	<u>11,918</u>
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 May 2013

5	EMPLOYEES	2013	2012
	The average monthly number of persons (excluding directors) employed by the company during the year was	No	No
	Office and management	11	11
	Manufacturing	20	21
	Selling	9	11
		<u>40</u>	<u>43</u>
		=====	=====
	Staff costs for the above persons		
	Wages and salaries	1 311 500	1 386 331
	Social security costs	136 870	141 987
	Other pension costs	37,325	38,933
		<u>£ 1 485,695</u>	<u>£ 1,567,251</u>
		=====	=====
	<b>DIRECTORS' REMUNERATION</b>		
	Emoluments	269,951	257,783
	Company contributions to money purchase pension schemes	16 427	16,361
		<u>£ 286,378</u>	<u>£ 274,144</u>
		=====	=====

There were 2 directors (2012: 2) who were members of money purchase pension schemes during the year.

Directors' emoluments disclosed above include the following payments to the highest paid director:

	2013	2012
Emoluments	114,303	113 803
Company contributions to money purchase pension schemes	9,788	9 788
	<u>£ 124 091</u>	<u>£ 123,591</u>
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 May 2013

6	TAXATION	2013	2012
	Current tax		
	UK corporation tax on profits of year	41,074	26,325
	Adjustments in respect of previous periods	(15,796)	5,427
	Total current tax	<u>25,278</u>	<u>31,752</u>
	Deferred tax		
	Deferred tax credit in current year	(13,247)	(3,079)
	Tax on profit on ordinary activities	<u>£ 12,031</u>	<u>£ 28,673</u>
	<b>Factors affecting tax charge for the year</b>		
	The tax assessed for the year is lower than the standard rate of corporation tax 24% (2012 20%) as explained below		
	Profit on ordinary activities before tax	<u>285,706</u>	<u>147,816</u>
	Profit on ordinary activities multiplied by the standard rate of corporation tax of 24% (2012 20%)	68,569	29,563
	Effects of		
	Expenses not deductible for tax purposes	2,109	1,411
	Capital allowances more than depreciation	6,012	740
	Adjustment to tax charge in respect of previous period	(15,796)	5,427
	Effect of marginal rate/change in tax rate	-	-
	Research & Development claim	(30,000)	-
	Other tax adjustments	(5,616)	(5,389)
	Current tax charge for the year	<u>£ 25,278</u>	<u>£ 31,752</u>
	<b>7 TANGIBLE FIXED ASSETS</b>		
		Plant and equipment	
	Cost		
	1 June 2012	1,619,884	
	Additions	19,886	
	Disposals	(52,125)	
	31 May 2013	<u>1,587,645</u>	
	Depreciation		
	1 June 2012	1,478,242	
	Charge in the year	73,072	
	Disposals	(51,938)	
	31 May 2013	<u>1,499,376</u>	
	Net book value		
	31 May 2013	<u>£ 88,269</u>	
	31 May 2012	<u>£ 141,642</u>	

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 May 2013

8	<b>STOCKS</b>	<b>2013</b>	<b>2012</b>
	Raw materials and consumables	169 081	243 044
	Work in progress	146 284	187 367
	Finished goods and goods for resale	348 072	230 067
		<u>£ 663 437</u>	<u>£ 660,478</u>
		=====	=====
9	<b>DEBTORS</b>		
	Trade debtors	672,068	416,986
	Due from parent company	1 011,773	755,182
	Other debtors	24 520	3 837
	Prepayments	63,341	498,234
		<u>£ 1 771,702</u>	<u>£ 1,674,239</u>
		=====	=====
10	<b>CREDITORS</b>		
	Amounts falling due within one year		
	Payments received on account	508,223	267,903
	Trade creditors	446 224	597,924
	Corporation tax	41 074	26,325
	Other taxation and social security costs	75 839	46 734
	Accruals	289 622	317,260
		<u>£ 1,360 982</u>	<u>£ 1 256 146</u>
		=====	=====
11	<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>		
		Deferred taxation	
	Balance at 1 June 2012	25,387	
	Transfer - profit and loss	(13,247)	
	Balance at 31 May 2013	<u>12 140</u>	
		=====	

The provision for deferred tax arises due to accelerated capital allowances

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 May 2013

12	<b>SHARE CAPITAL</b>	<b>2013</b>	<b>2012</b>
	Allotted, issued and fully paid 50,000 ordinary shares of £1 each	£ 50 000 <u>          </u>	£ 50 000 <u>          </u>
13	<b>PROFIT AND LOSS ACCOUNT</b>		
	1 June 2012	1 249 379	1 130,236
	Retained profit for the year	273 675	119,143
	31 May 2013	£ 1,523,054 <u>          </u>	£ 1 249,379 <u>          </u>
14	<b>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>		
	Profit for the financial year	273 675	119,143
	Opening shareholders funds	1 299,379	1,180,236
	Closing shareholders funds	£ 1 573,054 <u>          </u>	£ 1 299 379 <u>          </u>
15	<b>COMMITMENTS UNDER OPERATING LEASES</b>		
	At 31 May 2013 the company had annual commitments under non-cancellable operating leases as follows		
	Other		
	Expiring within one year	9 519	-
	Expiring between 2 and 5 years	-	10 384
		£ 9 519 <u>          </u>	£ 10 384 <u>          </u>
16	<b>RELATED PARTY TRANSACTIONS</b>		
	Since the year end and on 29 November 2013 the ultimate controlling party changed from J W D Winkworth to Abbots 389 Limited		
	During the year Winkworth Machinery Limited (the company) was reimbursed £750 (2012 £750) for Mr G Jamieson's time as a director of PPMA Ltd. The company also reimbursed PPMA Ltd £66,137 (2012 £48,824) for certain expenses. At the year end the company owed PPMA Ltd £3,254 (2012 £3 167)		
	The above transactions were on normal commercial terms		
	The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 Related Party Disclosures and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group		
17	<b>CONTINGENT LIABILITY</b>		
	The company and certain of its fellow group undertakings have given a guarantee in respect of some of the indebtedness of its parent company Winkworth Mixers Limited supported by a charge over the company's assets. At 31 May 2012 the total amount outstanding subject to that guarantee was £1,000,000 (2012 £1 461,000)		