

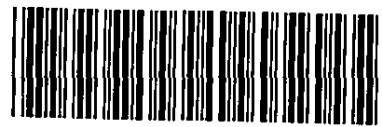
COMPANY REGISTRATION NUMBER 6287006

BRADMAN-LAKE LIMITED

ACCOUNTS

31 DECEMBER 2011

TUESDAY



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BRADMAN-LAKE LIMITED

ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

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BRADMAN-LAKE LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

YEAR ENDED 31 DECEMBER 2011

Directors

B A Watson
J Marlee

Company secretary

B A Watson

Registered office

Enterprise Way
Retford
Nottinghamshire
DN22 7HH

Auditor

Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Bankers

Barclays Bank plc
One Snowhill
Snowhill Queensway
Birmingham
B3 2WN

BRADMAN-LAKE LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2011

The Directors have pleasure in presenting their Report and the Accounts of the Company for the year to 31 December 2011

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company during the period was that of the manufacture and sale of packaging equipment

The Directors consider the results for the year to be satisfactory and they are confident of the future prospects of the Company

RESULTS AND DIVIDENDS

The trading results for the year, and the Company's financial position at the end of the year are shown in the attached Accounts

The Directors have not recommended a final dividend

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors of Langley Holdings plc manage the Group's risks at a group level rather than at an individual company level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the business of Bradman-Lake Limited. The principal risks and uncertainties of Langley Holdings plc, which include those of Bradman-Lake Limited, are discussed in the Directors' Report of the Group's Annual Report which does not form part of this Report.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND STRATEGIES

The Company's operations expose it to a variety of financial risks, which include cash flow fluctuation

The Company has a policy of maintaining sufficient cash levels and has committed credit facilities made available through the Group

The policies set down by the Board of Directors are implemented by the Company's finance department and are subject to regular reviews by the Board

KEY PERFORMANCE INDICATORS

The Directors of Langley Holdings plc manage the Group's operations on a divisional basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business of Bradman-Lake Limited. The key performance indicators of Langley Holdings plc and its Group are discussed in the Directors' Report of the Group's Annual Report which does not form part of this Report.

BRADMAN-LAKE LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

DIRECTORS

The Directors who served the Company during the year were as follows

B A Watson

J Marlee

FINANCIAL RISK MANAGEMENT

Prudent liquidity risk management implies maintaining sufficient cash on deposit and the availability of funding through an adequate amount of committed credit facilities

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each person who was a Director at the time this report was approved

- so far as that Director was aware there was no relevant available information of which the Company's auditors were unaware, and
- that Director had taken all steps that the Director ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors were aware of that information

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the Accounts in accordance with applicable law and regulations

Company law requires the Directors to prepare Accounts for each financial year. Under that law the Directors have elected to prepare the Accounts in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company Accounts, as applied in accordance with the provisions of the Companies Act 2006. Under company law the Directors must not approve the Accounts 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 these Accounts, the Directors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and accounting estimates that are reasonable and prudent,
- State that the Accounts comply with IFRSs as adopted by the European Union,
- Prepare the Accounts 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 Accounts 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.

Signed by order of the Directors



B A Watson

Company Secretary

Approved by the Directors on 17 May 2012

BRADMAN-LAKE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BRADMAN-LAKE LIMITED

YEAR ENDED 31 DECEMBER 2011

We have audited the Accounts of Bradman-Lake Limited for the year ended 31 December 2011 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's member, 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 member those matters we are required to state to them in an auditor's 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, 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 3, the Directors are responsible for the preparation of the Accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Accounts 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 Accounts

A description of the scope of an audit of Accounts is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on Accounts

In our opinion the Accounts

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, 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 Accounts are prepared is consistent with the Accounts.

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

Nexia Smith & W. Williamson

Michael Neale
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Portwall Place
Portwall Lane
Bristol BS1 6NA

17 May 2012

BRADMAN-LAKE LIMITED**INCOME STATEMENT****YEAR ENDED 31 DECEMBER 2011**

	Note	2011 €	2010 €
REVENUE	2	27,541,101	18,934,775
Cost of sales	3	(18,675,788)	(12,693,868)
GROSS PROFIT		8,865,313	6,240,907
Administrative expenses		(3,645,318)	(3,810,347)
PROFIT FROM ALL OPERATIONS	4	5,219,995	2,430,560
Finance income		61,541	50,673
Finance costs	5	(126,669)	(163,088)
PROFIT BEFORE TAXATION		5,154,867	2,318,145
Income tax	8	(152,329)	633,664
PROFIT FOR THE YEAR		<u>5,002,538</u>	<u>2,951,809</u>

All of the activities of the Company are classed as continuing. The profit for the period is attributable to the Equity holder of the immediate Parent Company.

The notes on pages 10 to 23 form part of these Accounts

BRADMAN-LAKE LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2011

	2011	2010
	€	€
Profit for the year	5,002,538	2,951,809
Other comprehensive expenses for the year:		
Exchange adjustments	183,704	(164,902)
Total comprehensive income for the year	<u>5,186,242</u>	<u>2,786,907</u>

The notes on pages 10 to 23 form part of these Accounts

BRADMAN-LAKE LIMITED**STATEMENT OF FINANCIAL POSITION****FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011		2010	
		€	€	€	€
NON-CURRENT ASSETS					
Property, plant and equipment	9		289,265		173,009
Deferred income tax asset			50,455		-
			<u>339,720</u>		<u>173,009</u>
CURRENT ASSETS					
Inventories	10	610,458		836,252	
Trade and other receivables	11	10,781,163		8,741,741	
Cash and cash equivalents	12	1,207,676		900,336	
		<u>12,599,297</u>		<u>10,478,329</u>	
CURRENT LIABILITIES					
Trade and other payables	13	(8,768,455)		(11,667,017)	
NET CURRENT ASSETS/(LIABILITIES)			<u>3,830,842</u>		<u>(1,188,688)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,170,562</u>		<u>(1,015,680)</u>
NET ASSETS /(LIABILITIES)			<u>4,170,562</u>		<u>(1,015,680)</u>
EQUITY					
Share capital	17		1		1
Retained earnings	19		4,170,561		(1,015,681)
TOTAL EQUITY/(DEFICIT)			<u>4,170,562</u>		<u>(1,015,680)</u>

These Accounts were approved by the Directors on 17 May 2012 and are signed on their behalf by

J Marlee
Director



Company registration number 06287006

The notes on pages 10 to 23 form part of these Accounts

BRADMAN-LAKE LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2011**

	Share Capital €	Retained Earnings €	Total Equity €
Balance at 1 January 2010	1	(3,802,588)	(3,802,587)
Changes in equity for the period ended 31 December 2010			
Currency exchange adjustment arising on retranslation	-	(164,902)	(164,902)
Profit for the year	-	2,951,809	2,951,809
Balance at 31 December 2010	1	(1,015,681)	(1,015,680)
Changes in equity for the year ended 31 December 2011			
Currency exchange adjustment arising on retranslation	-	183,704	183,704
Profit for the year	-	5,002,538	5,002,538
Balance at 31 December 2011	1	4,170,561	4,170,562

The notes on pages 10 to 23 form part of these Accounts

BRADMAN-LAKE LIMITED**STATEMENT OF CASH FLOWS****YEAR ENDED 31 DECEMBER 2011**

		2011		2010	
	Note	€	€	€	€
NET CASH GENERATED FROM OPERATING ACTIVITIES	22		<u>480,783</u>		<u>148,882</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		<u>(127,040)</u>		<u>(11,364)</u>	
NET CASH USED IN INVESTING ACTIVITIES			<u>(127,040)</u>		<u>(11,364)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest received		61,541		50,673	
Interest paid		<u>(126,669)</u>		<u>(163,088)</u>	
NET CASH USED IN FINANCING ACTIVITIES			<u>(65,128)</u>		<u>(112,415)</u>
Net increase in cash and cash Equivalents			288,615		25,103
Cash and cash equivalents at 1 January 2011			900,336		848,565
Effects of exchange rate changes on cash and cash equivalents			<u>18,725</u>		<u>26,668</u>
Cash and cash equivalents at 31 December 2011			<u>1,207,676</u>		<u>900,336</u>
CASH AND CASH EQUIVALENTS CONSISTS OF:					
Cash in hand and at bank	12		<u>1,207,676</u>		<u>900,336</u>

The notes on pages 10 to 23 form part of these Accounts

BRADMAN-LAKE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

(a) Basis of preparation

Bradman-Lake Limited is a Company incorporated in the United Kingdom

The Accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved for use in the European Union applied in accordance with the provisions of the Companies Act 2006

All accounting policies are consistent with those applying in the last annual Accounts for the year ended 31 December 2010

The Accounts have been prepared on a historical cost basis

New and amended standards which became effective during the year

The following new Standards and Amendments to Standards are mandatory for the first time for the financial year beginning 1 January 2011

- **IAS 24 (revised), Related Party Disclosures**

IAS 24 has changed the definition of a related party and introduced a partial exemption from the disclosure requirements for government-related entities. There has been no material impact on the Company financial statements for the year ended 31 December 2011.

There were a number of Amendments to Standards dealing with financial instruments, business combinations, and presentation of financial statements, as well as a number of Interpretations, but none of these had a material impact on the Company in the current period

New and amended standards which are not effective for the current period

IFRS 9, *Financial instruments*, IFRS 10, *Consolidated Financial Statements*, IFRS 11, *Joint Arrangements*, IFRS 12, *Disclosures of Interests in Other Entities*, and IFRS 13, *Fair Value Measurement*, are in issue but are not yet effective and have not yet been approved by the European Union

A number of Amendments, Improvements and Interpretations have also been issued but are not yet effective

The directors are currently assessing the impact of these new Standards, Interpretations and Amendments on the Company's financial statements

BRADMAN-LAKE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES *(continued)*

(b) Property, plant and equipment

Property, plant and equipment are stated at cost of purchase, net of depreciation and any impairment provision. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Leasehold property improvements	-	Over length of lease
Plant and machinery	-	12-20 years straight line
Office and computer equipment	-	5 years straight line
Motor vehicles	-	4 years straight line

(c) Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables do not carry any interest and are initially measured at their fair value as reduced by appropriate allowances for estimated irrecoverable amounts, and subsequently at their amortised cost.

Borrowings

Interest-bearing loans and overdrafts are recorded initially when the proceeds are received. Finance charges are accounted for at amortised cost using the effective interest method.

Trade payables

Trade payables are non-interest bearing and are initially measured at their fair value and subsequently at their amortised cost.

(d) Inventories and work in progress

Inventories are valued at the lower of cost and net realisable value. Cost is calculated as follows:

Raw materials and consumables	-	cost of purchase on a weighted average basis
Work in progress	-	cost of raw materials and labour together with attributable overheads

Net realisable value is based on estimated selling price less further costs to completion and disposal.

BRADMAN-LAKE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES *(continued)*

(e) Construction contracts

Contract costs are recognised when incurred. When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The Company uses the 'percentage of completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to either the contract costs incurred up to the year end as a percentage of total estimated costs for each contract, or by reference to milestone conditions as defined in the contracts as appropriate to the circumstances of the particular contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion, and are presented as inventories, prepayments or other assets, depending on their nature.

The Company presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceeds progress billings. Progress billings not yet paid by customers and retentions are included within 'trade and other receivables'.

The Company presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

(f) Revenue recognition

Revenue from sales of goods is recognised when the Company has delivered the products and the customer has accepted them, and is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Revenue from construction contracts is recognised in accordance with the Company's accounting policy on construction contracts (see (e) above).

(g) Income taxes

The income tax expense represents the sum of the tax currently payable and deferred income tax.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the Accounts. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

BRADMAN-LAKE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES *(continued)*

(h) Foreign currency

(a) Transactions and balances

Transactions in currencies other than Pounds Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each year end, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the Statement of Financial Position. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

(b) Preparation of Accounts

These Accounts have been presented in Euros because the majority of the Group's trade is conducted in this currency. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly. Exchange differences arising, if any, are classified as equity and transferred to a separate component of equity.

The average exchange rate during the year was €1 15 (2010 - €1 17) to the Pound Sterling. The opening exchange rate was €1 17 (2010 - €1 12) to the Pound Sterling and the closing exchange rate was €1 19 (2010 - €1 17) to the Pound Sterling.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash in hand, cash at bank and short term deposits with banks and similar financial institutions with a maturity of three months or less, and bank overdrafts.

(j) Pension costs

The employees are eligible to join a defined contribution stakeholder pension scheme which is administered on behalf of the Company by a pension provider. 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. The scheme does not provide a gross minimum pension for contracting out of the state earnings related pension scheme. The annual contributions payable are charged to the Income Statement.

(k) Leased assets

All leases are treated as "operating leases" and the relevant annual rentals are charged to the Income Statement on a straight line basis over the lease term.

BRADMAN-LAKE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES *(continued)*

(l) Key assumptions and significant judgements

The preparation of the Accounts in conformity with IFRS requires management to make estimates and judgements. The areas where the most judgement is required are highlighted below.

i Revenue and margin recognition

The Company's revenue recognition and margin recognition policies in respect of the supply, installation and commissioning contracts, which are set out above, are central to the way in which the Company values the work it has carried out each financial period. This policy requires forecasts to be made of the outcomes of the contracts, which require assessments and judgements to be made on the margin likely to be achieved, and hence the costs likely to be incurred.

ii Inventories

For financial reporting purposes the Company evaluates its inventory to ensure that it is carried at the lower of cost and net realisable value. Provisions are made against all inventories relating to machines that are no longer manufactured.

(m) Going concern

The Directors have a reasonable expectation that the Company, with the support of the ultimate Parent Company, Langley Holdings plc, has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Accounts.

2. REVENUE

The revenue and profit before tax are attributable to the one principle activity of the Company.

3 ANALYSIS OF COST OF SALES

Cost of sales has been arrived at after charging/(crediting)

	2011	2010
	€	€
Cost of materials	18,591,928	12,764,126
Increase in/(write back of) inventory provisions	<u>83,860</u>	<u>(70,259)</u>

BRADMAN-LAKE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31 DECEMBER 2011****4. PROFIT FROM ALL OPERATIONS**

Profit from all operations has been arrived at after charging/(crediting)

	2011	2010
	€	€
Staff pension contributions	213,492	221,076
Depreciation of owned assets	19,617	16,352
Auditor's remuneration		
- as auditor	32,053	35,047
Operating lease costs		
- land and buildings	261,051	248,834
Net loss/(profit) on foreign currency translation	<u>50,636</u>	<u>(60,988)</u>

5. FINANCE COSTS

	2011	2010
	€	€
Other interest	<u>126,669</u>	<u>163,088</u>

6. KEY MANAGEMENT PERSONNEL COMPENSATION

	2011	2010
	€	€
Salaries and short-term employee benefits	133,292	-
Post-employment benefits	5,394	-
	<u>138,686</u>	<u>-</u>

All of the above key management personnel compensation relates to Directors

Directors' emoluments

	2011	2010
	€	€
Aggregate emoluments as Directors of the Company	117,602	-
Value of pension contributions	5,394	-
	<u>122,997</u>	<u>-</u>

	No	No
Number of Directors who were accruing benefits under defined benefit pension scheme	<u>1</u>	<u>0</u>

BRADMAN-LAKE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31 DECEMBER 2011****7. PARTICULARS OF EMPLOYEES**

The average number of persons employed by the Company during the period was as follows:

	2011	2010
	No	No
Engineering staff	115	103
Administrative staff	56	61
	<u>171</u>	<u>164</u>

The aggregate payroll costs of these persons were as follows

	2011	2010
	€	€
Wages and salaries	6,736,308	6,636,780
Social security costs	697,651	686,390
Other pension costs	213,492	221,076
	<u>7,647,451</u>	<u>7,544,246</u>

8. INCOME TAX**(a) Charge for the year**

	2011	2010
	€	€
Current income tax		
UK corporation tax charge on profit for the year	200,756	-
Over provision in prior periods	-	(663,664)
Deferred tax	(48,427)	(663,664)
Total income tax	<u>152,329</u>	<u>(663,664)</u>

(b) Factors affecting current tax charges

	2011	2010
	€	€
Profit before taxation	<u>5,154,867</u>	<u>2,318,146</u>
Profit before taxation multiplied by the standard rate of tax	1,365,687	649,081
Expenses not deductible for tax purposes	14,570	8,746
Group relief	(95,273)	-
Movement on deferred tax assets	(48,427)	-
Other timing differences	780	(14,605)
Adjustments in respect of prior periods	-	(633,664)
Tax losses utilised	(1,085,008)	(643,222)
Total income tax expense	<u>152,329</u>	<u>(633,664)</u>

BRADMAN-LAKE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31 DECEMBER 2011****8. INCOME TAX (continued)**

The Chancellor has announced that the main UK corporation tax rate will be reduced from the current rate of 26%, which has applied from 1 April 2011, to 23%, via a series of 1% annual reductions. The reduction in the corporation tax rate to 25% from 1 April 2012 was enacted on 19 July 2011. As this rate was enacted at the balance sheet date, and reduces the tax rate expected to apply when temporary differences reverse, it has the effect of reducing the UK deferred tax balance.

The further rate reductions are to be incorporated within future legislative acts and so will not be substantively enacted until later periods. It is expected that the deferred tax balance should not be materially impacted by these proposed reductions in the corporation tax rate.

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Property €	Plant & Machinery €	Computer Equipment €	Motor Vehicles €	Total €
COST OR VALUATION					
At 1 Jan 2010	66,525	321,826	173,577	4,376	566,304
Additions	-	11,390	-	-	11,390
Exchange adjustments	2,857	51,034	36,942	678	91,511
At 31 Dec 2010	69,382	384,250	210,519	5,054	669,205
Additions	-	5,734	121,306	-	127,040
Exchange adjustments	1,741	9,880	10,355	127	22,103
At 31 Dec 2011	<u>71,123</u>	<u>399,864</u>	<u>342,179</u>	<u>5,181</u>	<u>818,347</u>
DEPRECIATION					
At 1 Jan 2010	66,525	155,506	170,529	2,899	395,459
Charge for the year	-	12,646	2,465	1,241	16,352
Exchange adjustments	2,857	44,107	36,808	613	84,385
At 31 Dec 2010	69,382	212,259	209,802	4,753	496,196
Charge for the year	-	10,921	8,399	297	19,617
Exchange adjustments	1,741	5,782	5,615	131	13,270
At 31 Dec 2011	<u>71,123</u>	<u>228,962</u>	<u>223,816</u>	<u>5,181</u>	<u>529,082</u>
NET BOOK VALUE					
At 31 Dec 2011	<u>-</u>	<u>170,902</u>	<u>118,363</u>	<u>-</u>	<u>289,265</u>
At 31 Dec 2010	<u>-</u>	<u>171,991</u>	<u>717</u>	<u>301</u>	<u>173,009</u>

BRADMAN-LAKE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31 DECEMBER 2011****10. INVENTORIES**

	2011	2010
	€	€
Raw materials	<u>610,458</u>	<u>836,252</u>

CONSTRUCTION WORK IN PROGRESS

Contracts in progress at the year end

	2011	2010
	€	€
Amount due from contract customers included in trade and other receivables (note 11)	1,175,103	521,212
Amount due to contract customers included in trade and other payables (note 13)	<u>(1,759,646)</u>	<u>(3,501,637)</u>
	<u>(584,543)</u>	<u>(2,980,425)</u>
Contract costs incurred plus recognised profit less recognised losses to date	7,269,525	4,345,470
Less progress billing	<u>(7,854,068)</u>	<u>(7,325,895)</u>
	<u>(584,543)</u>	<u>(2,980,425)</u>

11. CURRENT TRADE AND OTHER RECEIVABLES

	2011	2010
	€	€
Trade receivables	6,160,652	3,918,626
Amounts recoverable on contracts	1,175,103	521,212
Amounts owed by Group undertakings	2,789,247	4,094,151
Prepayments and accrued income	188,628	151,375
Other debtors	50,184	-
VAT recoverable	<u>417,349</u>	<u>56,376</u>
	<u>10,781,163</u>	<u>8,741,741</u>

For terms and conditions relating to related party receivables, refer to note 16

Trade and other receivables are disclosed net of provisions for bad and doubtful debts, an analysis of which is as follows

	2011	2010
	€	€
Balance at 1 January	23,298	11,185
Exchange adjustments	105	497
(Decrease)/increase in provision	<u>(11,456)</u>	<u>11,616</u>
Balance at 31 December	<u>11,947</u>	<u>23,298</u>

Trade receivables are non-interest bearing and are generally on 30 – 90 days terms

BRADMAN-LAKE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31 DECEMBER 2011****11. CURRENT TRADE AND OTHER RECEIVABLES (continued)**

At 31 December 2011, the analysis of trade receivables that were past due but not impaired is as follows

	Past due but not impaired				
	<30 days past due €	30-60 days past due €	60-90 days past due €	90-120 days past due €	>120 days past due €
2011	3,014,240	2,383,386	124,280	183,183	455,563
2010	1,500,973	600,776	675,256	153,593	988,028

12. CASH AND CASH EQUIVALENTS

	2011 €	2010 €
Cash in hand and at bank in current accounts	<u>1,207,676</u>	<u>900,336</u>

13. CURRENT TRADE AND OTHER PAYABLES

	2011 €	2010 €
Trade payables	1,499,272	1,029,209
Amounts owed to Group undertakings	4,504,847	6,376,829
Other taxes and social security	192,633	319,758
Accruals and deferred income	714,260	342,816
Warranty provision	97,797	96,768
Progress payments	1,759,646	3,501,637
	<u>8,768,455</u>	<u>11,667,017</u>

14. DEFERRED INCOME TAX

Deferred taxation asset	2011 €	2010 €
At 1 January 2011		
Accelerated tax depreciation	21,715	-
Short term timing differences	10,705	-
Tax losses carried forward and other deductions	18,035	-
At 31 December 2011	<u>50,455</u>	<u>-</u>
Unprovided deferred taxation	2011 €	2010 €
Accelerated tax depreciation	-	44,353
Other temporary differences	-	16,901
	<u>-</u>	<u>61,254</u>

The Company has tax losses carried forward of €nil (2010 - €4,266,682)

BRADMAN-LAKE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31 DECEMBER 2011**

15. CONTINGENCIES

A contingent liability exists at the year end in respect of the Group VAT liability of €504,964 (2010 - €291,739)

16. RELATED PARTY TRANSACTIONS

During the year the Company made the sales and purchases to the following Group entities

	Sales		Purchases	
	2011	2010	2011	2010
	€	€	€	€
Bradman-Lake Inc	<u>2,056,847</u>	<u>1,672,897</u>	<u>1,297,018</u>	<u>-</u>

The Company also paid management charges to Langley Holdings plc of €197,054 (2010 - €233,645)

At the year end, Bradman-Lake Limited had the following balances with other Group companies.

	Amount due to Company		Amount owed by Company	
	2011	2010	2011	2010
	€	€	€	€
Bradman-Lake Inc	2,787,681	3,461,883	484,253	118,122
Langley Holdings plc	-	-	3,780,624	6,228,575
Piller UK Limited	-	<u>632,186</u>	-	-

Interest of €126,669 (2010 - €163,088) was paid to Langley Holdings plc in the year and interest of €59,498 (2010 - €48,992) was received from Bradman Lake Inc in the year in respect of loan balances included above Rent of €78,555 (2010 - €80,023) was paid to Langley Holdings plc during the year

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made at normal prices, outstanding balances at the year end are unsecured and interest free The Company has not recorded any impairment of receivables relating to amounts owed by related parties (2010 - €nil)

BRADMAN-LAKE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31 DECEMBER 2011****17. SHARE CAPITAL****Authorised share capital:**

	2011	2010
	€	€
100 Ordinary shares of €1 each	<u>100</u>	<u>100</u>

Allotted and called up:

	2011	2010
	No	No
	€	€
Ordinary shares of €1 each	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

18. ULTIMATE PARENT COMPANY

The immediate Parent Company is Bradman-Lake Group Limited, a company incorporated in the UK. The ultimate Parent Company is Langley Holdings plc, a company incorporated in the UK. Langley Holdings plc itself is controlled by A J Langley. Consolidated Accounts of Langley Holdings plc can be obtained from the Registrar of Companies at Companies House.

19. RETAINED EARNINGS

	2011	2010
	€	€
At 1 January	(1,015,681)	(3,802,588)
Profit for the year	5,002,538	2,951,809
Currency exchange differences on retranslation	183,704	(164,902)
At 31 December	<u>4,170,561</u>	<u>(1,015,681)</u>

Included within retained earnings of the company are foreign exchange reserves of €699,531 (2010 - €515,827)

The net currency exchange difference arising on retranslation in the year was a gain of €183,704. The foreign currency translation reserves contain accumulated foreign currency translation differences from the translation of the Accounts of the company into its presentational currency.

20. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2011, the Company had total commitments under non cancellable operating leases as set out below:

	2011	2010
	€	€
Payments falling due		
In less than one year	261,051	248,834
Between two and five years	590,203	715,618
After more than five years	353,047	435,897
	<u>1,204,301</u>	<u>1,400,349</u>

BRADMAN-LAKE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise loans received together with trade receivables, trade payables and short term deposits which arise directly from its operations. The main purpose of these financial instruments to fund the Company's operations and to manage its working capital, liquidity and surplus funds.

The Company does not enter into any derivative transactions.

The main risks arising from the Company's financial instruments are foreign currency risk and credit risk. Liquidity risk is not considered to be a main risk to the Company due to the Group's cash and cash equivalents balances being considerably higher than any bank borrowings and the availability of funding from the Group.

Foreign currency risk

The Company is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currencies of other Group entities (which are principally Sterling, Euros and US Dollars).

The Company publishes its accounts in Euros and as a result, it is subject to foreign currency exchange translation risk in respect of the results and underlying net assets of the company since the Euro is not its functional currency.

The Company does not utilise any hedging arrangements as the Directors do not consider that the risk posed is significant to the Company's operations.

The following table demonstrates the sensitivity to a reasonably possible change in the Sterling to Euro exchange rate, with all other variables held constant, of the Company's profit or loss before tax due to changes in the fair value of monetary assets and liabilities.

	Increase/decrease in Sterling rate	Effect on profit before tax €
2011	+10%	488,220
	-10%	(596,714)
2010	+10%	257,572
	-10%	(210,740)

Credit risk

The Company trades only with recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the results that the Company's exposure to bad debt is not significant.

With respect to credit risk arising from the other financial assets of the Company, comprising of cash and cash equivalents, the Company's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amounts of these instruments.

BRADMAN-LAKE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Company's exposure to the risk of changes in market interest rates is solely to the Company's cash on deposit with floating interest rates. The Company is part of a cash pooling arrangement and the interest risk is therefore shared with other companies in the Group. The interest rate risk of the Group is discussed further in the accounts of Langley Holdings plc.

Capital risk management

The Company manages capital to ensure adequate resources are retained for the continued growth of the Company. Access to capital includes the availability of funding through agreed credit facilities.

22. CASH GENERATED FROM OPERATIONS

	2011	2010
	€	€
Profit before tax	5,154,867	2,318,145
Depreciation	19,617	16,352
Interest expense	65,128	112,415
Decrease/(Increase) in inventories	225,794	(329,572)
(Increase) in trade and other receivables	(2,242,206)	(2,739,802)
(Decrease)/Increase in trade and other payables	(2,898,562)	970,065
Exchange adjustments	156,145	(198,721)
	<u>480,783</u>	<u>148,882</u>