

Registered number: 476749

**Taylor, Maxwell & Co Limited**  
**Annual report and financial statements**  
**for the year ended 31 March 2014**

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# **Taylor, Maxwell & Co Limited**

## **Annual report and financial statements for the year ended 31 March 2014**

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# **Taylor, Maxwell & Co Limited**

## **Directors and advisers for the year ended 31 March 2014**

### **Executive Directors**

M Rudge  
C McMillan  
A D Downes  
M A Phillips  
A J Hammond

### **Company secretary**

M A Phillips

### **Registered office**

Taylor Maxwell House  
The Promenade  
Clifton  
Bristol  
BS8 3NW

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
31 Great George Street  
Bristol  
BS1 5QD

### **Bankers**

Lloyds TSB Bank Plc  
55 Corn Street  
Bristol  
BS99 7LE

### **Solicitors**

Burges Salmon  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 5AH



# Taylor, Maxwell & Co Limited

## Strategic report for the year ended 31 March 2014

The directors present their strategic report for the company for the year ended 31 March 2014.

### Business review and future developments

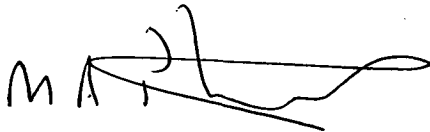
The Company's turnover increased to £57,920,435 (2013: £44,910,458) and operating profit increased to £501,112 (2013: £93,146). This is a much improved result for the Company as market conditions begin to improve. The Directors firmly believe that market conditions will continue to get better and that the Company is well placed to take advantage of these. At 31 March 2014, the Company had net assets of £5,140,650 (2013: £4,915,305).

The directors monitor the Company's sales levels and profitability both of which are shown on the face of the profit and loss account. The directors are of the opinion that further analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

### Principal risks and uncertainties and financial risk management

The directors of Taylor Maxwell Group Limited manage the group's risks at a group level, rather than at an individual subsidiary 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 Taylor Maxwell & Co. Limited's business. The principal risks and uncertainties of the Taylor Maxwell Group Limited, which include those of this company, are discussed in the Strategic Report and the Directors' Report of the Group's annual report and financial statements which does not form part of this report.

By order of the Board



M A Phillips  
**Director**  
22 July 2014



# Taylor, Maxwell & Co Limited

## Directors' report for the year ended 31 March 2014

The directors present their report and the audited financial statements of the company for the year ended 31 March 2014.

### Principal activities

The principal activity of the company is that of distribution of brick and cladding materials.

### Results and dividends

The results of the Company for the year are set out on page 7. Interim dividends of £0.09 per share (2013: £0.10 per share) amounting to £175,000 (2013: £200,000) were paid during the year to the company's parent. The directors do not recommend the payment of a final dividend (2013: £nil).

### Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

M Rudge                      C McMillan                      A D Downes                      A J Hammond                      M A Phillips

M J Sawyer resigned on 4 May 2013.

### Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and 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 prepared 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 these financial statements, 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 whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# **Taylor, Maxwell & Co Limited**

## **Directors' report for the year ended 31 March 2014 (continued)**

### **Directors' responsibilities statement (continued)**

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

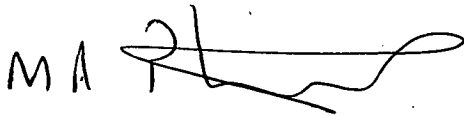
### **Disclosure of information to independent auditors**

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Each director has taken all the steps that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Independent auditors**

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

By order of the Board

A handwritten signature in black ink, appearing to be 'M A Phillips', with a long horizontal flourish extending to the right.

M A Phillips  
**Director**  
22 July 2014



# **Taylor, Maxwell & Co Limited**

## **Independent auditors' report to the members of Taylor, Maxwell & Co Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 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.

This opinion is to be read in the context of what we say in the remainder of this report.

#### **What we have audited**

The financial statements, which are prepared by Taylor, Maxwell & Co Limited, comprise:

- the balance sheet as at 31 March 2014;
- the profit and loss account for the year then ended;
- the statement of accounting policies; and
- the notes to the financial statements, which include other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



# **Taylor, Maxwell & Co Limited**

## **Independent auditors' report to the members of Taylor, Maxwell & Co Limited**

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### **Responsibilities for the financial statements and the audit**

#### **Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 and 4, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Colin Bates (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol  
22 July 2014



# Taylor, Maxwell & Co Limited

## Profit and loss account for the year ended 31 March 2014

	Note	2014 £	2013 £
<b>Turnover</b>		<b>57,920,435</b>	44,910,458
Cost of sales		<b>(49,915,716)</b>	(38,771,162)
Gross profit		<b>8,004,719</b>	6,139,296
Administrative expenses		<b>(7,503,607)</b>	(6,046,150)
<b>Operating profit</b>	1	<b>501,112</b>	93,146
Income from shares in group undertakings		<b>100,000</b>	250,000
Interest receivable and similar income	4	<b>85,204</b>	83,249
Interest payable and similar charges	5	<b>(191,924)</b>	(174,106)
<b>Profit on ordinary activities before taxation</b>		<b>494,392</b>	252,289
Tax on profit on ordinary activities	6	<b>(94,047)</b>	(16,991)
<b>Profit for the financial year</b>	16	<b>400,345</b>	235,298

All items dealt with in arriving at operating profit above relate to continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents.

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.



**Balance sheet as at 31 March 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	8	176,922	124,682
Investments	9	62,214	62,214
		<b>239,136</b>	<b>186,896</b>
<b>Current assets</b>			
Stocks	10	427,324	495,811
Debtors	11	19,919,220	15,942,885
		<b>20,346,544</b>	<b>16,438,696</b>
<b>Creditors – amounts falling due within one year</b>	12	<b>(13,445,030)</b>	<b>(9,710,287)</b>
<b>Net current assets</b>		<b>6,901,514</b>	<b>6,728,409</b>
<b>Total assets less current liabilities</b>		<b>7,140,650</b>	<b>6,915,305</b>
Creditors – amounts falling due after more than one year	13	(2,000,000)	(2,000,000)
<b>Net assets</b>		<b>5,140,650</b>	<b>4,915,305</b>
<b>Capital and reserves</b>			
Called up share capital	15	1,126,620	1,126,620
Share premium account	16	11,350	11,350
Profit and loss account	16	4,002,680	3,777,335
<b>Total shareholders' funds</b>	17	<b>5,140,650</b>	<b>4,915,305</b>

The financial statements on pages 7 to 21 were approved by the Board of Directors on 22 July 2014 and signed on its behalf by:



M Rudge  
Director

The notes on pages 11 to 21 form part of these financial statements.



# Taylor, Maxwell & Co Limited

## Statement of accounting policies

### Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The financial statements contain information about Taylor, Maxwell & Co. Limited as an individual company and do not contain consolidate information as the parent of a group. The Company is not required to produce consolidated financial statements in accordance with section 400 of the Companies Act 2006 as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Taylor Maxwell Group Limited, a company incorporated in the United Kingdom.

### Turnover

Turnover is the amount derived from the provision of goods falling within the Company's ordinary activities after deduction of Value Added Tax. All turnover is generated from one class of business and from within the United Kingdom. Turnover is recognised when the risks and rewards of ownership of the product are substantially passed to the customer.

### Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax with the exception that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation on tangible fixed assets except motor vehicles is calculated to write down their cost to their estimated residual values by equal annual instalments over the year of their estimated useful economic lives, which are considered to be:

Leasehold property	-	the length of the lease (straight line)
Fixtures and fittings	-	4 to 7 years (straight line)
Motor vehicles	-	25% per annum (reducing balance)



# **Taylor, Maxwell & Co Limited**

## **Statement of accounting policies (continued)**

### **Fixed asset investments**

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

### **Stocks**

Stocks are stated at the lower of cost and estimated net realisable value. Cost includes all direct expenditure incurred in bringing the product to its present location and condition. Where necessary, provision is made for obsolete, slow-moving and defective stocks to reduce these to their estimated recoverable amounts. Stocks are valued on a weighted average basis.

### **Pension costs**

The company participates in the group defined benefit pension plan but the actuary is unable to separately identify the company's share of the underlying assets and liabilities on a consistent and reasonable basis. Contributions to the scheme are accounted for as if the scheme were a defined contribution scheme. The full disclosures in relation to FRS17 are given in the financial statements of Taylor Maxwell Group Limited. Pension costs for the company's defined contribution scheme are charged against profits in the year in which they are incurred.

### **Operating leases**

Operating lease rentals are charged to the profit and loss account when incurred.

### **Foreign currency**

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the balance sheet or at the related forward contract rate. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction or, where forward foreign currency contracts have been taken out, at contractual rates. All differences on exchange are taken to the profit and loss account.

### **Provisions and accruals**

Provisions are made for building dilapidation costs being the expected cost of returning the property to its original state at the end of the lease period. The total expected cost is accrued over the length of the lease agreement. The expected cost of onerous leases and repairs to properties at the expiry of the lease are included within accruals.

### **Dividends**

Final dividends are recognised as a liability in the period in which they are approved by the shareholder. Interim dividends are recognised in the period in which dividends are paid.

### **Cash flow statement**

The company is a wholly owned subsidiary of Taylor Maxwell Group Limited. The financial statements of the ultimate parent company, Taylor Maxwell Group Limited, include a consolidated cash flow statement dealing with the cash flows of the group. The Company is therefore exempt from preparing a cash flow statement in accordance with FRS1 (revised 1996) and, accordingly, no statement is included within these financial statements.



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 1 Operating profit

	2014 £	2013 £
<b>Operating profit is stated after charging:</b>		
Depreciation (owned assets)	65,392	49,087
Services provided by the company's auditor		
Fees payable for the audit	14,750	14,250
Operating leases - Land and buildings	470,528	422,676
Operating leases – Plant and machinery	108,703	120,757

### 2 Employees

The average monthly number of employees (including executive directors) during the year was:

	2014 No.	2013 No.
<b>By activity</b>		
Selling and distribution	44	41
Administration	40	39
	84	80

The costs incurred in respect of these employees were:

	2014 £	2013 £
Wages and salaries	3,726,130	3,024,293
Social security costs	432,802	358,488
Pensions costs money purchase scheme contributions	206,393	186,310
Pensions costs defined benefit scheme contributions	443,500	132,500
	4,808,825	3,701,591



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 3 Directors' emoluments

Directors' emoluments are paid by another group company and recharged to the company on the basis of time allocation.

The emoluments of the directors recharged were:

	2014	2013
	£	£
Aggregate emoluments	744,018	449,353
Company pension contributions to defined contribution scheme	67,982	91,498
	812,000	540,851

None of the directors are entitled to receive amounts under long term incentive schemes (2013: none). No directors accrued retirement benefits under the closed defined benefit scheme (2013: none). Two of the directors benefit from defined contribution pension schemes (2013: two).

<b>Highest paid director</b>	<b>2014</b>	<b>2013</b>
	£	£
Aggregate emoluments	215,377	129,326
Company pension contributions to defined contribution scheme	-	49,996
	215,377	179,322

The emoluments of the highest paid director include £202,464 compensation for loss of office. The highest paid director had the following accrued benefits in respect of his defined benefit pension scheme:

	2014	2013
	£	£
Accrued pension at end of year	19,056	26,441



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 4 Interest receivable and similar income

	2014	2013
	£	£
Interest receivable from group companies	85,168	82,495
Other interest received	36	754
	<b>85,204</b>	<b>83,249</b>

### 5 Interest payable and similar charges

	2014	2013
	£	£
On bank loan and overdrafts	189,219	174,106
Interest receivable from group companies	2,705	0
	<b>191,924</b>	<b>174,106</b>

### 6 Tax on profit on ordinary activities

	2014	2013
	£	£
Current tax:		
UK corporation tax charge on profits of the year	77,360	12,000
Adjustments in respect of prior years	-	4,597
Total current tax charge	<b>77,360</b>	<b>16,597</b>
Deferred tax:		
Origination and reversal of timing differences	11,052	1,635
Effect of change in tax rates	7,855	3,002
Adjustments in respect of prior years	(2,220)	(4,243)
Total deferred tax charge	<b>16,687</b>	<b>394</b>
Tax on profit on ordinary activities	<b>94,097</b>	<b>16,991</b>



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 6 Tax on profit on ordinary activities (continued)

The current tax assessed for the year is lower than (2013: lower than) the standard rate of corporation tax in the UK for the year ended 31 March 2014 of 23% (2013: 24%) The differences are explained below:

	2014	2013
	£	£
<b>Profit on ordinary activities before taxation</b>	<b>494,392</b>	<b>252,289</b>
Profit on ordinary activities multiplied by standard rate in the UK 23% (2013: 24%)	<b>113,710</b>	<b>60,549</b>
Effects of:		
Expenses not deductible for tax purposes	<b>22,407</b>	<b>15,596</b>
Dividends from subsidiaries not taxable	<b>(23,000)</b>	<b>(60,000)</b>
Adjustments in respect of prior years	<b>-</b>	<b>4,597</b>
Accelerated capital allowances and other timing differences	<b>(11,044)</b>	<b>(1,635)</b>
Group relief for nil consideration	<b>(24,713)</b>	<b>(110)</b>
Other tax rates	<b>-</b>	<b>(2,400)</b>
<b>Current tax charge for the year</b>	<b>77,360</b>	<b>16,597</b>

#### Factors that may affect future tax charges:

The March 2013 Budget Statement announced changes to the UK Corporation tax rates that were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These reduced the main rate of corporation tax to 21% from 1 April 2014 and to 20% from 1 April 2015. As the changes have been substantively enacted at the balance sheet date their effects are included in these financial statements. Accordingly, the deferred tax balance has been calculated using a rate of 20%.

### 7 Dividends

	2014	2013
	£	£
Interim dividends paid to group companies in respect of equity shares of £0.09 per share (2013: £0.10 per share)	<b>175,000</b>	<b>200,000</b>



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 8 Tangible fixed assets

	Short leasehold property	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2013	286,051	23,228	1,576,082	1,885,361
Additions	-	60,598	53,298	113,896
Transfers in	-	9,250	-	9,250
<b>At 31 March 2014</b>	<b>286,051</b>	<b>93,076</b>	<b>1,629,380</b>	<b>2,008,507</b>
<b>Accumulated depreciation</b>				
At 1 April 2013	281,659	13,440	1,465,580	1,760,679
Charge for the year	3,521	18,409	43,462	65,392
Transfers in	-	5,514	-	5,514
<b>At 31 March 2014</b>	<b>285,180</b>	<b>37,363</b>	<b>1,509,042</b>	<b>1,831,585</b>
<b>Net book amount</b>				
<b>At 31 March 2014</b>	<b>871</b>	<b>55,713</b>	<b>120,338</b>	<b>176,922</b>
At 31 March 2013	4,392	9,788	110,502	124,682

The company was committed to expenditure amounting to £nil at 31 March 2014 (2013: £nil).



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 9 Fixed asset investments

	Subsidiary undertakings shares at cost £
<b>Cost and net book amount</b>	
<b>At 1 April 2013 and 31 March 2014</b>	<b>62,214</b>

The subsidiary undertakings are:

Name of Company	Immediate Parent	Ownership	Nature of business
Taylor Maxwell Timber Limited	Taylor, Maxwell & Co. Limited	100%	British and imported timber merchants
Timber Marketing Corporation Limited	Taylor Maxwell Timber Limited	100%	Dormant
Taymax Independent Plywood Limited	Taylor Maxwell Timber Limited	100%	Dormant
Proctor & Lavender Brick Distributors Limited	Taylor, Maxwell & Co. Limited	100%	Dormant
Taylor Maxwell (International) Limited	Taylor Maxwell Timber Limited	100%	Dormant
Taymax Forest Products Limited	Taylor Maxwell Timber Limited	100%	Dormant
Added Value Timber Products Limited	Taylor Maxwell Timber Limited	100%	Dormant

All shareholdings are ordinary shares. All trading subsidiary undertakings operate in England. In the opinion of the directors, the realisable value of the investments is not less than the amount at which they are stated in the financial statements.

### 10 Stocks

	2014 £	2013 £
Stocks held for resale	427,324	495,811



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 11 Debtors

	2014	2013
	£	£
Trade debtors	12,539,554	8,817,603
Amounts owed by group undertakings	7,141,266	6,774,793
Deferred tax (note 14)	52,368	69,055
Other debtors	68,996	78,742
Prepayments and accrued income	117,036	202,692
	19,919,220	15,942,885

Interest is charged on amounts due from group companies at 2% over the Bank of England base rate. Amounts owed by group companies are unsecured and have no fixed repayment date.

### 12 Creditors – Amounts falling due within one year

	2014	2013
	£	£
Bank loans and overdraft	544,696	1,633,784
Trade creditors	9,594,452	6,613,138
Amounts owed to group undertakings	141,494	65,067
Other creditors including taxation and social security	1,386,293	490,704
Accruals and deferred income	1,778,095	907,594
	13,445,030	9,710,287

The company's bank overdraft is guaranteed by various subsidiary undertakings and is secured by charges over the assets of the group. The overdraft carried interest at an average of 1.5% above the Bank of England base rate.



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 13 Creditors – Amounts falling due after more than one year

	2014	2013
	£	£
Term Loan	2,000,000	2,000,000

The term loan is repayable in June 2016. The loan carried interest at an average of 1.75% above the Bank of England base rate. The percentage paid above base rate is variable and is linked to the LIBOR rate. Variable interest rate bearing liabilities are hedged 3 months in advance against LIBOR. The fair value of the interest rate hedge is £457,000 liability (2013: £566,000 liability). The loan is secured against the trade debtors of the company.

### 14 Deferred taxation

	2014	2013
	£	£
Deferred tax asset:		
Accelerated capital allowances	5,668	1,550
Other timing differences	46,700	67,505
<b>Total deferred tax asset</b>	<b>52,368</b>	<b>69,055</b>
At 1 April	69,055	69,449
Deferred tax charge in profit and loss account	(16,687)	(394)
<b>At 31 March</b>	<b>52,368</b>	<b>69,055</b>

### 15 Called up share capital

	2014	2013
	£	£
<b>Allotted and fully paid</b>		
1,024,200 (2013: 1,024,200) Deferred ordinary shares of £1 each	1,024,200	1,024,200
1,024,200 (2013: 1,024,200) Ordinary shares of 10p each	102,420	102,420
	<b>1,126,620</b>	<b>1,126,620</b>

The shares of the company are held entirely within the group.



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 16 Reserves

	Profit and loss account	Share premium account
	£	£
At 1 April 2013	3,777,335	11,350
Profit for the financial year	400,345	-
Dividends	(175,000)	-
<b>At 31 March 2014</b>	<b>4,002,680</b>	<b>11,350</b>

### 17 Reconciliation of movements in shareholders' funds

	2014	2013
	£	£
Profit for the financial year	400,345	235,298
Dividends	(175,000)	(200,000)
Net addition to shareholders' funds	225,345	35,298
Opening shareholders' funds	4,915,305	4,880,007
<b>Closing shareholders' funds</b>	<b>5,140,650</b>	<b>4,915,305</b>



# Taylor, Maxwell & Co Limited

## Notes to the financial statements for the year ended 31 March 2014

### 18 Financial commitments

The Company is committed to make annual payments under operating leases as set out below:

Leases expiring in	2014	2013	2014	2013
	Land and buildings		Motor vehicles	
	£	£	£	£
- one year	-	18,200	21,955	34,458
- 2 to 5 years	-	-	100,073	57,748
- More than 5 years	146,116	120,146	-	-
	146,116	138,346	122,028	92,206

### 19 Contingent liabilities

The Company has entered into forward foreign exchange contracts. The total sterling equivalent outstanding at the year end was £287,159 (2013: £175,064). In the opinion of the directors the fair value of the contracts is not material.

The Company has guaranteed the bank loans and overdrafts Taylor Maxwell Holdings Limited (parent company) and Taylor Maxwell Timber Limited (subsidiary undertaking). At the year end these borrowings amounted to £5,938,568 (2013: £4,483,527). Under the terms of the guarantee the Company's assets are secured by a fixed and floating charge over them. In the opinion of the directors, no significant liability is expected to arise as a result of the guarantees provided.



# **Taylor, Maxwell & Co Limited**

## **Notes to the financial statements for the year ended 31 March 2014**

### **20 Pensions**

The company participates in the Taylor Maxwell Group pension schemes. One scheme is of the defined benefit type, whilst the other is a money purchase scheme. Their assets are held separately from the Group's assets. In June 2009, the defined benefit scheme was closed to future accrual and members were transferred to an alternative defined contribution scheme.

The Taylor Maxwell Group Limited Pension and Assurance Scheme is a group defined benefit pension scheme. As it has not been possible to identify the underlying assets and liabilities attributable to each participating company, the group scheme treatment as allowed by FRS 17 has been adopted and therefore accounting on a defined contribution basis is applied. The contribution rate is set on a scheme wide basis and is reviewed at each formal valuation. A full actuarial valuation of the scheme made at 31 March 2012 revealed a deficit. The valuation showed that the market value of the scheme's assets at that date amounted to £9,937,000 and this represented a funding level of approximately 70%. The next actuarial valuation is due at 31 March 2015. The full disclosures in relation to FRS17 are given as a whole in the financial statements of Taylor Maxwell Group Limited.

The full disclosures in relation to FRS17 are given as a whole in the financial statements of Taylor Maxwell Group Limited.

### **21 Related parties**

The company is a wholly owned subsidiary and has taken advantage of the exemption provided by FRS 8 and therefore does not disclose details of transactions with entities that are part of the Taylor Maxwell group of companies, which qualify as related parties.

### **22 Ultimate parent undertaking**

The immediate parent undertaking is Taylor Maxwell Holdings Limited. The ultimate parent undertaking and controlling party is Taylor Maxwell Group Limited, a company incorporated in the United Kingdom. Taylor Maxwell Group Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 March 2014. The consolidated financial statements of Taylor Maxwell Group Limited are available from Taylor Maxwell House, The Promenade, Clifton, Bristol, BS8 3NW.