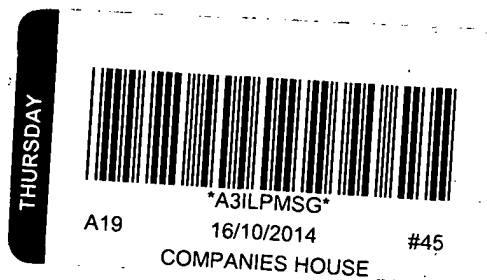


**M R ELLIS (TIMBER) LIMITED**

**ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**



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**M R ELLIS (TIMBER) LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

M R Ellis  
E M Ellis  
P Ellis  
M Ellis

**COMPANY SECRETARY**

E M Ellis

**REGISTERED NUMBER**

01169327

**REGISTERED OFFICE**

The Sawmill  
Main Road  
Hevingham  
Norfolk  
NR10 5LX

**BUSINESS ADDRESS**

The Sawmill  
Main Road  
Hevingham  
Norfolk  
NR10 5LX

**INDEPENDENT AUDITORS**

Larking Gowen  
Chartered Accountants & Statutory Auditors  
King Street House  
15 Upper King Street  
Norwich  
NR3 1RB

**BANKERS**

Barclays Bank Plc  
PO Box 596  
Aylsham  
Norfolk  
NR11 6PQ

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**M R ELLIS (TIMBER) LIMITED**

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## **M R ELLIS (TIMBER) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014**

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

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic Report, 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 these financial statements, the directors are required to:

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

The 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.

#### **RESULTS**

The profit for the year, after taxation, amounted to £1,142,865 (2013 - £962,641).

#### **DIRECTORS**

The directors who served during the year were:

M R Ellis  
E M Ellis  
P Ellis  
M Ellis

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**M R ELLIS (TIMBER) LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2014**

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**DISCLOSURE OF INFORMATION TO AUDITORS**


Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

**AUDITORS**

Under section 487(2) of the Companies Act 2006, Larking Gowen will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

.....   
**E M Ellis**  
**Director**

**Date:** 24/9/14

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## M R ELLIS (TIMBER) LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2014

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#### INTRODUCTION

The principal activity of the company is that of timber merchants.

#### BUSINESS REVIEW

In the following paragraphs we aim to present a balanced comprehensive review of the development and performance of our business during the year and its position at the year end.

The gross profit has increased from £2,067,200 in 2013 to £2,669,441 in 2014 which has been driven by a 21% increase in turnover.

We expect that the company's present financial position will be sustained for the foreseeable future.

#### PRINCIPAL RISKS AND UNCERTAINTIES

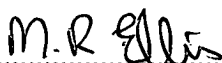
We consider the company to not be subject to any immediate threat from risks and uncertainties.

The forecast for 2015 is good with continued growth in all areas of the business. Our strategy is to deliver exceptional levels of customer service and value for money to ensure our turnover grows. We are also committed to the recruitment and retention of high calibre staff and their ongoing safety, welfare, training and development.

#### FINANCIAL KEY PERFORMANCE INDICATORS

We believe that our key performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, profit before tax and net assets.

This report was approved by the board on *24 September 2014* and signed on its behalf.

  
.....  
M R Ellis  
Director

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**M R ELLIS (TIMBER) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO M R ELLIS (TIMBER) LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 5 to 16, together with the financial statements of M R Ellis (Timber) Limited for the year ended 31 March 2014 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts on pages 5 to 16 have been properly prepared in accordance with the regulations made under that section.

  
Ian Fitch FCA (Senior Statutory Auditor)

for and on behalf of

**Larking Gowen**

Chartered Accountants

Statutory Auditors

Norwich

Date: 6/10/2014

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**M R ELLIS (TIMBER) LIMITED**

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**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2014**

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	Note	2014 £	2013 £
<b>TURNOVER</b>	1	<b>8,428,798</b>	<b>6,963,051</b>
<b>GROSS PROFIT</b>		<b>2,669,441</b>	<b>2,067,200</b>
Distribution costs		<b>(616,421)</b>	<b>(601,595)</b>
Administrative expenses		<b>(659,717)</b>	<b>(437,960)</b>
<b>OPERATING PROFIT</b>	2	<b>1,393,303</b>	<b>1,027,645</b>
Interest receivable and similar income		<b>79,096</b>	<b>246,714</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,472,399</b>	<b>1,274,359</b>
Tax on profit on ordinary activities	5	<b>(329,534)</b>	<b>(311,718)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	13	<b>1,142,865</b>	<b>962,641</b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and Loss Account.

The notes on pages 8 to 16 form part of these financial statements.

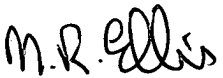


**M R ELLIS (TIMBER) LIMITED**  
**REGISTERED NUMBER: 01169327**


**ABBREVIATED BALANCE SHEET**  
**AS AT 31 MARCH 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	6		1,824,037		1,597,416
<b>CURRENT ASSETS</b>					
Stocks	7	340,408		509,884	
Debtors	8	1,552,310		1,276,710	
Short-term cash deposits	9	7,031,726		5,695,785	
Cash at bank and in hand		1,520,658		2,031,679	
		<u>10,445,102</u>		<u>9,514,058</u>	
<b>CREDITORS:</b> amounts falling due within one year	10	(1,386,191)		(1,376,936)	
<b>NET CURRENT ASSETS</b>			<u>9,058,911</u>		<u>8,137,122</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>10,882,948</u>		<u>9,734,538</u>
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	11		(5,545)		-
<b>NET ASSETS</b>			<u>10,877,403</u>		<u>9,734,538</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		32,000		32,000
Profit and loss account	13		10,845,403		9,702,538
<b>SHAREHOLDERS' FUNDS</b>	14		<u>10,877,403</u>		<u>9,734,538</u>

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

  
 .....  
**M R Ellis**  
**Director**

**Date:** 24/9/14

  
 .....  
**E M Ellis**  
**Director**

**Date:** 24/9/14.

The notes on pages 8 to 16 form part of these financial statements.

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**M R ELLIS (TIMBER) LIMITED**

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**ABBREVIATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2014**

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	Note	2014 £	As restated 2013 £
Net cash flow from operating activities	15	1,839,282	850,570
Returns on investments and servicing of finance	16	79,096	246,714
Taxation		(287,970)	(341,458)
Capital expenditure and financial investment	16	(1,790,534)	(453,913)
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(160,126)</b>	<b>301,913</b>

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**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 MARCH 2014**

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	2014 £	As restated 2013 £
(Decrease)/Increase in cash in the year	(160,126)	301,913
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>(160,126)</b>	<b>301,913</b>
Net funds at 1 April 2013 (as restated)	1,680,784	1,378,871
<b>NET FUNDS AT 31 MARCH 2014</b>	<b>1,520,658</b>	<b>1,680,784</b>

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The notes on pages 8 to 16 form part of these financial statements.

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## M R ELLIS (TIMBER) LIMITED

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### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

##### 1.2 Turnover

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

##### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and buildings freehold	-	2% Straight Line
Plant & machinery	-	20% Straight Line
Motor vehicles	-	25% Straight Line

##### 1.4 Investments

Investments held as current assets are shown at cost.

##### 1.5 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

##### 1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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## M R ELLIS (TIMBER) LIMITED

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### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.7 Deferred taxation

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

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

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

Deferred tax assets and liabilities are discounted.

##### 1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

##### 1.9 Pensions

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

The company contributes to personal pension plans in respect of employees and the pension charge represents the amounts payable by the company during the year.

#### 2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	242,972	194,701
Auditors' remuneration	10,700	10,400
Operating lease rentals:		
- plant and machinery	35,322	19,747
Difference on foreign exchange	(1,313)	550
	<hr/>	<hr/>

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**M R ELLIS (TIMBER) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**3. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,222,381</b>	<b>1,066,829</b>
Social security costs	<b>128,859</b>	<b>109,479</b>
Other pension costs	<b>2,080</b>	<b>2,080</b>
	<b><u>1,353,320</u></b>	<b><u>1,178,388</u></b>

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

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
Employees	<b><u>35</u></b>	<b><u>34</u></b>

**4. DIRECTORS' REMUNERATION**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Remuneration	<b><u>373,550</u></b>	<b><u>233,550</u></b>

The highest paid director received remuneration of £109,400 (2013 - £68,375).

**M R ELLIS (TIMBER) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**5. TAXATION**

	2014 £	2013 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	310,338	305,369
Adjustments in respect of prior periods	(17,399)	-
<b>Total current tax</b>	<u>292,939</u>	<u>305,369</u>
<b>Deferred tax</b> (see note 11)		
Origination and reversal of timing differences	36,595	6,349
<b>Tax on profit on ordinary activities</b>	<u>329,534</u>	<u>311,718</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2013 - *lower than*) the standard rate of corporation tax in the UK of 23% (2013 - 24%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>1,472,399</u>	<u>1,274,359</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 24%)	338,652	305,846
<b>Effects of:</b>		
Expenses not deductible for tax purposes	1,596	230
Capital allowances for year in excess of depreciation	(28,815)	1,478
Adjustments to tax charge in respect of prior periods	(17,399)	-
Marginal relief	(1,095)	(2,185)
<b>Current tax charge for the year</b> (see note above)	<u>292,939</u>	<u>305,369</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**M R ELLIS (TIMBER) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**6. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant & machinery etc £	Total £
<b>Cost</b>			
At 1 April 2013	1,572,944	5,854,775	7,427,719
Additions	43,235	426,358	469,593
Disposals	-	(32,247)	(32,247)
At 31 March 2014	<u>1,616,179</u>	<u>6,248,886</u>	<u>7,865,065</u>
<b>Depreciation</b>			
At 1 April 2013	255,792	5,574,511	5,830,303
Charge for the year	31,434	211,538	242,972
On disposals	-	(32,247)	(32,247)
At 31 March 2014	<u>287,226</u>	<u>5,753,802</u>	<u>6,041,028</u>
<b>Net book value</b>			
At 31 March 2014	<u>1,328,953</u>	<u>495,084</u>	<u>1,824,037</u>
At 31 March 2013	<u>1,317,152</u>	<u>280,264</u>	<u>1,597,416</u>

Depreciation has not been charged on freehold land which is stated at cost of £33,958 (2013 - £33,958).

**7. STOCKS**

	2014 £	2013 £
Raw materials	194,550	195,736
Finished goods and goods for resale	145,858	314,148
	<u>340,408</u>	<u>509,884</u>

**8. DEBTORS**

	2014 £	2013 £
Trade debtors	1,474,783	1,060,869
Prepayments and accrued income	77,527	184,791
Deferred tax asset (see note 11)	-	31,050
	<u>1,552,310</u>	<u>1,276,710</u>

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**M R ELLIS (TIMBER) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**9. CURRENT ASSET INVESTMENTS**

	2014 £	2013 £
Short-term cash deposits	<u>7,031,726</u>	<u>5,695,785</u>

**10. CREDITORS:  
Amounts falling due within one year**

	2014 £	2013 £
Bank loans and overdrafts	-	350,895
Trade creditors	520,168	496,246
Corporation tax	310,338	305,369
Other taxation and social security	293,864	125,294
Other creditors	1,001	156
Accruals and deferred income	260,820	98,976
	<u>1,386,191</u>	<u>1,376,936</u>

**11. DEFERRED TAXATION**

	2014 £	2013 £
At beginning of year	31,050	37,399
Charged for year (P&L)	(36,595)	(6,349)
	<u>(5,545)</u>	<u>31,050</u>

The deferred taxation balance is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>(5,545)</u>	<u>31,050</u>

**12. SHARE CAPITAL**

	2014 £	2013 £
Allotted, called up and fully paid		
32,000 Ordinary shares of £1 each	<u>32,000</u>	<u>32,000</u>



**M R ELLIS (TIMBER) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**13. RESERVES**

	<b>Profit and loss account £</b>
At 1 April 2013	<b>9,702,538</b>
Profit for the financial year	<b>1,142,865</b>
At 31 March 2014	<b>10,845,403</b>

**14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<b>2014 £</b>	<b>2013 £</b>
Opening shareholders' funds	<b>9,734,538</b>	8,771,897
Profit for the financial year	<b>1,142,865</b>	962,641
Closing shareholders' funds	<b>10,877,403</b>	9,734,538

**15. NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2014 £</b>	<b>2013 £</b>
Operating profit	<b>1,393,303</b>	1,027,645
Depreciation of tangible fixed assets	<b>242,972</b>	194,701
Profit on disposal of tangible fixed assets	<b>(15,000)</b>	(16,920)
Decrease/(increase) in stocks	<b>169,476</b>	(82,812)
(Increase)/decrease in debtors	<b>(306,650)</b>	43,531
Increase/(decrease) in creditors	<b>355,181</b>	(315,575)
Net cash inflow from operating activities	<b>1,839,282</b>	850,570

**16. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	<b>2014 £</b>	<i>As restated</i> <b>2013 £</b>
Returns on investments and servicing of finance		
Interest received	<b>79,096</b>	246,714

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**M R ELLIS (TIMBER) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**16. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)**

	2014 £	<i>As restated</i> 2013 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(469,593)	(247,130)
Sale of tangible fixed assets	15,000	19,000
Purchase of short-term cash deposits	(1,335,941)	(225,783)
	<u>(1,790,534)</u>	<u>(453,913)</u>
<b>Net cash outflow from capital expenditure</b>	<u><u>(1,790,534)</u></u>	<u><u>(453,913)</u></u>

**17. ANALYSIS OF CHANGES IN NET FUNDS**

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	2,031,679	(511,021)	-	1,520,658
Bank overdraft	(350,895)	350,895	-	-
	<u>1,680,784</u>	<u>(160,126)</u>	<u>-</u>	<u>1,520,658</u>
<b>Net funds</b>	<u><u>1,680,784</u></u>	<u><u>(160,126)</u></u>	<u><u>-</u></u>	<u><u>1,520,658</u></u>

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**M R ELLIS (TIMBER) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**18. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,080 (2013: £2,080). Contributions totalling £Nil (2013: £Nil) were payable to the fund at the balance sheet date.

**19. OPERATING LEASE COMMITMENTS**

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Between 2 and 5 years	<b>29,126</b>	<b>29,126</b>

**20. CONTROLLING PARTY**

M R Ellis, Mrs E M Ellis, P Ellis and M Ellis are directors and shareholders of the company and jointly control the company.