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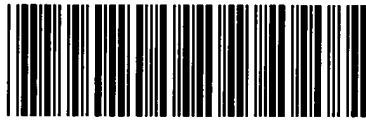
REGISTERED NUMBER: 01240380 (England and Wales)

Morris & Co (Handlers) Limited

Group Strategic Report, Report of the Directors and

Consolidated Financial Statements For The Year Ended 1 October 2014

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For The Year Ended 1 October 2014

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Morris & Co (Handlers) Limited
Company Information
For The Year Ended 1 October 2014

DIRECTORS:

A E Morris
S A Morris
T E Morris

REGISTERED OFFICE:

Bankwood Lane
New Rossington
Doncaster
South Yorkshire
DN11 0PS

REGISTERED NUMBER:

01240380 (England and Wales)

AUDITORS:

Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Group Strategic Report
For The Year Ended 1 October 2014

The directors present their strategic report of the company and the group for the year ended 1 October 2014.

REVIEW OF BUSINESS

In the year to 1 October 2014 the group have increased turnover and increased profitability compared to the prior period. The group employed 23 people (20 in 2013) producing a turnover of £17,320,983 (2013 £ 11,154,448) . The turnover shows an increase of 55 % compared with the previous year.

The capital and reserves at the end of the year amounted to £1,031,077 (2013 £827,652).

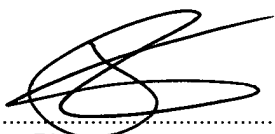
The company's subsidiary Morris Metal Limited has also had a successful year maintaining profitability.

The directors consider the level of activity and year end position to be satisfactory.

PRINCIPAL RISKS AND UNCERTAINTIES

Within the commercial activities the main risk facing the group are the fluctuations in scrap metal prices , credit and liquidity risk.

ON BEHALF OF THE BOARD:



.....
T E Morris - Director

Date: 7 April 2015

Report of the Directors
For The Year Ended 1 October 2014

The directors present their report with the financial statements of the company and the group for the year ended 1 October 2014.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the sale of salvaged and reclaimed materials.

DIVIDENDS

The total distribution of interim dividends for the year ended 1 October 2014 was £291,474.

The directors recommend that no final dividend be paid.

FUTURE DEVELOPMENTS

The directors constantly review opportunities to improve profitability and performance but have no specific plans at this time.

DIRECTORS

The directors shown below have held office during the whole of the period from 2 October 2013 to the date of this report.

A E Morris
S A Morris
T E Morris

FINANCIAL INSTRUMENTS

The group utilise an invoice discounting facility to improve the cash flow from debtors.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

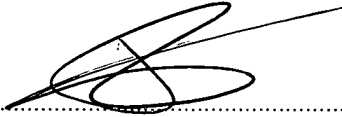
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Report of the Directors
For The Year Ended 1 October 2014

AUDITORS

The auditors BDO LLP resigned during the year. The directors appointed Allotts Business Services Limited to fill the vacancy. The auditors, Allotts Business Services Ltd, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in dark ink, consisting of a stylized 'T' and 'M' with a long horizontal stroke extending to the right.

.....
T E Morris - Director

Date: 7 April 2015

Report of the Independent Auditors to the Members of
Morris & Co (Handlers) Limited

We have audited the financial statements of Morris & Co (Handlers) Limited for the year ended 1 October 2014 on pages six to twenty four. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 group's and the parent 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 Group Strategic Report and the Report of the Directors 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 1 October 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Steve Pepper (Senior Statutory Auditor)
for and on behalf of Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Date: 8 April 2015

Morris & Co (Handlers) Limited (Registered number: 01240380)

Consolidated Profit and Loss Account
For The Year Ended 1 October 2014

	Notes	2014 £	2013 £
TURNOVER		17,320,983	11,154,448
Cost of sales		15,816,741	10,089,805
GROSS PROFIT		1,504,242	1,064,643
Administrative expenses		769,780	622,059
OPERATING PROFIT	3	734,462	442,584
Interest receivable and similar income		121	-
		734,583	442,584
Interest payable and similar charges	4	68,043	59,984
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		666,540	382,600
Tax on profit on ordinary activities	5	166,771	65,552
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		499,769	317,048
Minority interest - equity		4,870	11,163
RETAINED PROFIT FOR THE GROUP CARRIED FORWARD		494,899	305,885

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year.

Morris & Co (Handlers) Limited (Registered number: 01240380)

Consolidated Statement of Total Recognised Gains and Losses
For The Year Ended 1 October 2014

	2014 £	2013 £
PROFIT FOR THE FINANCIAL YEAR	494,899	305,885
Unrealised surplus on revaluation of properties	-	383,712
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>494,899</u>	<u>689,597</u>

Note of Historical Cost Profits and Losses
For The Year Ended 1 October 2014

	2014 £	2013 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	666,540	382,600
Difference between the historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	20,553	5,204
	<hr/>	<hr/>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>687,093</u>	<u>387,804</u>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION MINORITY INTERESTS AND DIVIDENDS	<u>223,978</u>	<u>108,679</u>

The notes form part of these financial statements

Consolidated Balance Sheet
1 October 2014

	Notes	2014	2013
		£	£
FIXED ASSETS			
Intangible assets	8	3,967	-
Tangible assets	9	2,750,088	2,548,478
Investments	10	-	-
		<u>2,754,055</u>	<u>2,548,478</u>
CURRENT ASSETS			
Stocks	11	493,764	671,475
Debtors	12	4,493,659	3,497,198
Cash at bank and in hand		904,566	11,491
		<u>5,891,989</u>	<u>4,180,164</u>
CREDITORS			
Amounts falling due within one year	13	6,559,160	5,029,979
NET CURRENT LIABILITIES		<u>(667,171)</u>	<u>(849,815)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,086,884	1,698,663
CREDITORS			
Amounts falling due after more than one year	14	(843,831)	(701,751)
PROVISIONS FOR LIABILITIES	18	(211,976)	(158,097)
MINORITY INTERESTS	19	-	(11,163)
NET ASSETS		<u>1,031,077</u>	<u>827,652</u>
CAPITAL AND RESERVES			
Called up share capital	20	250	250
Revaluation reserve	21	438,572	507,401
Capital redemption reserve	21	250	250
Profit and loss account	21	592,005	319,751
SHAREHOLDERS' FUNDS	26	<u>1,031,077</u>	<u>827,652</u>

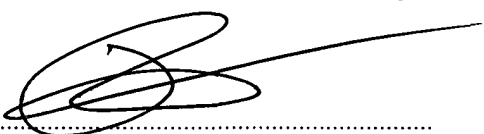
The financial statements were approved by the Board of Directors on 7 April 2015 and were signed on its behalf by:


.....
T E Morris - Director

Company Balance Sheet
1 October 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	2,689,986	2,548,478
Investments	10	20,051	51
		<u>2,710,037</u>	<u>2,548,529</u>
CURRENT ASSETS			
Stocks	11	434,907	508,422
Debtors	12	4,507,026	3,502,773
Cash at bank and in hand		881,821	4,475
		<u>5,823,754</u>	<u>4,015,670</u>
CREDITORS			
Amounts falling due within one year	13	6,494,054	4,888,267
NET CURRENT LIABILITIES		<u>(670,300)</u>	<u>(872,597)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,039,737</u>	<u>1,675,932</u>
CREDITORS			
Amounts falling due after more than one year	14	(823,088)	(701,751)
PROVISIONS FOR LIABILITIES	18	<u>(210,252)</u>	<u>(158,097)</u>
NET ASSETS		<u><u>1,006,397</u></u>	<u><u>816,084</u></u>
CAPITAL AND RESERVES			
Called up share capital	20	250	250
Revaluation reserve	21	438,572	507,401
Capital redemption reserve	21	250	250
Profit and loss account	21	567,325	308,183
SHAREHOLDERS' FUNDS	26	<u><u>1,006,397</u></u>	<u><u>816,084</u></u>

The financial statements were approved by the Board of Directors on 7 April 2015 and were signed on its behalf by:


.....
T E Morris - Director

**Consolidated Cash Flow Statement
For The Year Ended 1 October 2014**

	Notes	2014	2013
		£	£
Net cash inflow/(outflow) from operating activities	1	1,167,151	(436,528)
Returns on investments and servicing of finance	2	(67,922)	(59,984)
Taxation		(62,133)	(25,515)
Capital expenditure	2	(91,618)	(60,437)
Acquisitions and disposals	2	(20,000)	-
Equity dividends paid		(291,474)	(202,410)
		<u>634,004</u>	<u>(784,874)</u>
Financing	2	627,483	324,913
Increase/(decrease) in cash in the period		<u><u>1,261,487</u></u>	<u><u>(459,961)</u></u>

Reconciliation of net cash flow to movement in net debt

	3		
Increase/(decrease) in cash in the period		1,261,487	(459,961)
Cash inflow from increase in debt and lease financing		<u>(660,608)</u>	<u>(340,273)</u>
Change in net debt resulting from cash flows		600,879	(800,234)
New finance leases		<u>(424,447)</u>	<u>(110,266)</u>
Movement in net debt in the period		176,432	(910,500)
Net debt at 2 October		<u>(3,679,853)</u>	<u>(2,769,353)</u>
Net debt at 1 October		<u><u>(3,503,421)</u></u>	<u><u>(3,679,853)</u></u>

Notes to the Consolidated Cash Flow Statement
For The Year Ended 1 October 2014

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	734,462	442,584
Depreciation charges	262,490	227,224
Loss/(profit) on disposal of fixed assets	51,965	(39,634)
Decrease/(increase) in stocks	177,711	(194,256)
Increase in debtors	(996,461)	(1,214,830)
Increase in creditors	936,984	342,384
Net cash inflow/(outflow) from operating activities	1,167,151	(436,528)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	121	-
Interest paid	(44,482)	(33,294)
Interest element of hire purchase payments	(23,561)	(26,690)
Net cash outflow for returns on investments and servicing of finance	(67,922)	(59,984)
Capital expenditure		
Purchase of tangible fixed assets	(241,674)	(116,937)
Sale of tangible fixed assets	150,056	56,500
Net cash outflow for capital expenditure	(91,618)	(60,437)
Acquisitions and disposals		
Acquisition of shares in subsidiary	(20,000)	-
Net cash outflow for acquisitions and disposals	(20,000)	-
Financing		
New loans in year	-	575,000
Loan repayments in year	(38,336)	(775,234)
Invoice financing	923,272	769,840
Capital repayments in year	(224,328)	(229,333)
Amount introduced by directors	-	10,440
Amount withdrawn by directors	(33,125)	(25,800)
Net cash inflow from financing	627,483	324,913

Notes to the Consolidated Cash Flow Statement
For The Year Ended 1 October 2014

3. ANALYSIS OF CHANGES IN NET DEBT

	At 2.10.13 £	Cash flow £	Other non-cash changes £	At 1.10.14 £
Net cash:				
Cash at bank and in hand	11,491	893,075		904,566
Bank overdraft	(368,412)	368,412		-
	<u>(356,921)</u>	<u>1,261,487</u>		<u>904,566</u>
Debt:				
Hire purchase	(391,938)	224,328	(424,447)	(592,057)
Debts falling due within one year	(2,413,498)	(923,272)	-	(3,336,770)
Debts falling due after one year	(517,496)	38,336	-	(479,160)
	<u>(3,322,932)</u>	<u>(660,608)</u>	<u>(424,447)</u>	<u>(4,407,987)</u>
Total	<u>(3,679,853)</u>	<u>600,879</u>	<u>(424,447)</u>	<u>(3,503,421)</u>

4. MAJOR NON-CASH TRANSACTIONS

During the year the company entered into hire purchase and finance lease arrangements in respect of assets with a total capital value at the inception of the leases of £424,447 (2013 £110,226).

Notes to the Consolidated Financial Statements
For The Year Ended 1 October 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention , as modified by the revaluation of land and buildings and static plant and machinery and in accordance with applicable accounting standards.

The directors are aware of the year end net current liabilities of the group and company and have taken steps to ensure the group has adequate financial resource to continue trading over the next twelve months . The directors have produced forecasts which show that the company can continue to operate within its financial resources for 12 months from the date of this report. Consequently the directors are confident that the financial statements are properly prepared on a going concern basis.

Basis of consolidation

The financial statements consolidate the accounts of Morris & Co (Handlers) Limited and all of its subsidiary undertakings.

The subsidiary Morris Metal Limited is exempt from the requirements of the Companies Act 2006 relating to the audit of the individual accounts by virtue of section 479A of the Act

Turnover

Turnover represents net invoiced sales of goods supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover is recognised when goods are dispatched.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of the remaining part of Morris Metal Limited in 2014, will be amortised evenly over its estimated useful life of four years.

Tangible fixed assets

Tangible assets are stated at cost or valuation 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 or valuation of those assets , less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	4%	straight line
Plant and machinery	10%	straight line
Motor vehicles	25%	straight line
Fixtures and fittings	25%	straight line
Static plant and machinery	5%	straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date except those that relate to timing differences that arise from the revaluation of fixed assets which are not provided.

Hire purchase and leasing commitments

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

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

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

Investments

Investments in subsidiaries are valued at cost less provision for impairment

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

2. STAFF COSTS

	2014 £	2013 £
Wages and salaries	492,900	357,712
Social security costs	44,782	30,675
Other pension costs	6,600	6,600
	<u>544,282</u>	<u>394,987</u>

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

	2014	2013
Site operatives	19	16
Administration	4	4
	<u>23</u>	<u>20</u>

3. OPERATING PROFIT

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

	2014 £	2013 £
Hire of plant and machinery	3,117	7,922
Depreciation - owned assets	128,559	148,543
Depreciation - assets on hire purchase contracts	133,931	78,681
Loss/(profit) on disposal of fixed assets	51,965	(39,634)
Auditors' remuneration	4,500	4,500
	<u>24,352</u>	<u>16,000</u>
Directors' remuneration	4,800	4,800
Directors' pension contributions to money purchase schemes		

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>3</u>
------------------------	----------	----------

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Bank interest	6,514	8,059
Bank loan interest	25,488	25,235
Other interest	12,480	-
Hire purchase	23,561	26,690
	<u>68,043</u>	<u>59,984</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2014 £	2013 £
Current tax:		
UK corporation tax	112,892	58,875
Deferred tax	53,879	6,677
Tax on profit on ordinary activities	<u>166,771</u>	<u>65,552</u>

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>666,540</u>	<u>382,600</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 22% (2013 - 23%)	146,639	87,998
Effects of:		
Expenses not deductible for tax purposes	13,555	5,891
Capital allowances in excess of depreciation	(51,328)	(36,032)
Utilisation of tax losses	-	(704)
Adjustments to tax charge in respect of previous periods	3,023	-
Other timing differences	<u>1,003</u>	<u>1,722</u>
Current tax charge	<u>112,892</u>	<u>58,875</u>

6. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £481,787 (2013 - £291,307).

7. DIVIDENDS

	2014 £	2013 £
Ordinary Shares shares of £1 each Interim	<u>291,474</u>	<u>202,410</u>

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
Additions	<u>3,967</u>
At 1 October 2014	<u>3,967</u>
NET BOOK VALUE	
At 1 October 2014	<u>3,967</u>

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 2 October 2013	970,000	2,365,238	40,356	211,516	3,587,110
Additions	-	641,912	24,209	-	666,121
Disposals	-	(483,672)	(10,163)	(25,745)	(519,580)
At 1 October 2014	970,000	2,523,478	54,402	185,771	3,733,651
DEPRECIATION					
At 2 October 2013	-	943,907	11,673	83,052	1,038,632
Charge for year	29,200	185,520	15,164	32,606	262,490
Eliminated on disposal	-	(295,615)	(8,301)	(13,643)	(317,559)
At 1 October 2014	29,200	833,812	18,536	102,015	983,563
NET BOOK VALUE					
At 1 October 2014	940,800	1,689,666	35,866	83,756	2,750,088
At 1 October 2013	970,000	1,421,331	28,683	128,464	2,548,478

Included in cost or valuation of land and buildings is freehold land of £330,724 (2013 - £330,724) which is not depreciated.

Cost or valuation at 1 October 2014 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2013	970,000	-	-	-	970,000
Valuation in 2011	-	740,000	-	-	740,000
Cost	-	1,783,478	54,402	185,771	2,023,651
	970,000	2,523,478	54,402	185,771	3,733,651

If property and static plant had not been revalued they would have been included at the following historical cost:

	2014 £	2013 £
Cost	1,299,690	1,299,690
Aggregate depreciation	207,487	212,208
Value of land in freehold land and buildings	330,724	330,724

Plant and machinery includes static plant at a written down value of £589,976 (2013 £623,883) that have been revalued by the directors in 2011 at depreciated replacement cost.

The land and buildings were revalued on 16th December 2013 as it is the directors' belief that this provides a true and fair view of their value. Properties to the value of £885,000 were valued by Grice & Hunter (Chartered Surveyors) on an open market existing use basis. A further property to the value of £85,000 was valued by the directors at the same time. These revaluations were included in the financial statements to 1 October 2013.

No material tax liability would arise in the event of freehold property being sold at its revalued amount.

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

9. TANGIBLE FIXED ASSETS - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION			
At 2 October 2013	1,017,665	113,168	1,130,833
Additions	511,761	-	511,761
Disposals	(121,150)	-	(121,150)
Transfer to ownership	(153,700)	-	(153,700)
At 1 October 2014	1,254,576	113,168	1,367,744
DEPRECIATION			
At 2 October 2013	159,461	26,465	185,926
Charge for year	107,888	26,043	133,931
At 1 October 2014	267,349	52,508	319,857
NET BOOK VALUE			
At 1 October 2014	987,227	60,660	1,047,887
At 1 October 2013	858,204	86,703	944,907

Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 2 October 2013	970,000	2,365,238	40,356	211,516	3,587,110
Additions	-	579,130	24,209	-	603,339
Disposals	-	(483,672)	(10,163)	(25,745)	(519,580)
At 1 October 2014	970,000	2,460,696	54,402	185,771	3,670,869
DEPRECIATION					
At 2 October 2013	-	943,907	11,673	83,052	1,038,632
Charge for year	29,200	182,840	15,164	32,606	259,810
Eliminated on disposal	-	(295,615)	(8,301)	(13,643)	(317,559)
At 1 October 2014	29,200	831,132	18,536	102,015	980,883
NET BOOK VALUE					
At 1 October 2014	940,800	1,629,564	35,866	83,756	2,689,986
At 1 October 2013	970,000	1,421,331	28,683	128,464	2,548,478

Included in cost or valuation of land and buildings is freehold land of £330,724 (2013 - £330,724) which is not depreciated.

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

9. TANGIBLE FIXED ASSETS - continued

Company

Cost or valuation at 1 October 2014 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2013	970,000	-	-	-	970,000
Valuation in 2011	-	740,000	-	-	740,000
Cost	-	1,720,696	54,402	185,771	1,960,869
	<u>970,000</u>	<u>2,460,696</u>	<u>54,402</u>	<u>185,771</u>	<u>3,670,869</u>

If property and static plant had not been revalued they would have been included at the following historical cost:

	2014 £	2013 £
Cost	<u>1,299,690</u>	<u>1,229,690</u>
Aggregate depreciation	<u>207,487</u>	<u>213,208</u>
Value of land in freehold land and buildings	<u>330,724</u>	<u>330,724</u>

Plant and machinery includes static plant at a written down value of £589,976 (2013 £623,883) that have been revalued by the directors in 2011 at depreciated replacement cost.

The land and buildings were revalued on 16th December 2013 as it is the directors' belief that this provides a true and fair view of their value. Properties to the value of £885,000 were valued by Grice & Hunter (Chartered Surveyors) on an open market existing use basis. A further property to the value of £85,000 was valued by the directors at the same time. These revaluations were included in the financial statements to 1 October 2013.

No material tax liability would arise in the event of freehold property being sold at its revalued amount.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION			
At 2 October 2013	1,017,665	113,168	1,130,833
Additions	471,761	-	471,761
Disposals	(121,150)	-	(121,150)
Transfer to ownership	(153,700)	-	(153,700)
At 1 October 2014	<u>1,214,576</u>	<u>113,168</u>	<u>1,327,744</u>
DEPRECIATION			
At 2 October 2013	159,461	26,465	185,926
Charge for year	106,135	26,043	132,178
At 1 October 2014	<u>265,596</u>	<u>52,508</u>	<u>318,104</u>
NET BOOK VALUE			
At 1 October 2014	<u>948,980</u>	<u>60,660</u>	<u>1,009,640</u>
At 1 October 2013	<u>858,204</u>	<u>86,703</u>	<u>944,907</u>

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 2 October 2013	51
Additions	20,000
At 1 October 2014	20,051
NET BOOK VALUE	
At 1 October 2014	20,051
At 1 October 2013	51

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

Morris Metal Limited

Nature of business: Scrap metal merchants

	% holding
Class of shares:	
Ordinary	100.00

11. STOCKS

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Stocks	493,764	671,475	434,907	508,422

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Trade debtors	4,096,527	3,375,560	4,089,087	3,355,133
Amounts owed by group undertakings	-	-	20,807	35,526
Other debtors	226,193	63,224	226,193	53,700
Prepayments and accrued income	170,939	58,414	170,939	58,414
	4,493,659	3,497,198	4,507,026	3,502,773

Trade debtors include £3,927,483 (2013: £3,123,094) in respect of debts assigned under an invoice discounting facility.

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts (see note 15)	38,336	406,748	38,336	406,748
Other loans (see note 15)	3,298,434	2,375,162	3,298,434	2,375,162
Hire purchase contracts (see note 16)	227,386	207,683	215,833	207,683
Trade creditors	2,214,412	1,539,925	2,191,350	1,434,293
Taxation	109,634	58,875	106,800	52,795
Social security and other taxes	147,301	92,084	133,993	92,084
Other creditors	13,757	68,914	13,757	38,914
Directors' current accounts	66,075	99,200	66,075	99,200
Accruals and deferred income	443,825	181,388	429,476	181,388
	<u>6,559,160</u>	<u>5,029,979</u>	<u>6,494,054</u>	<u>4,888,267</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans (see note 15)	479,160	517,496	479,160	517,496
Hire purchase contracts (see note 16)	364,671	184,255	343,928	184,255
	<u>843,831</u>	<u>701,751</u>	<u>823,088</u>	<u>701,751</u>

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	-	368,412	-	368,412
Bank loans	38,336	38,336	38,336	38,336
Other loans	3,298,434	2,375,162	3,298,434	2,375,162
	<u>3,336,770</u>	<u>2,781,910</u>	<u>3,336,770</u>	<u>2,781,910</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>38,336</u>	<u>38,336</u>	<u>38,336</u>	<u>38,336</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>440,824</u>	<u>479,160</u>	<u>440,824</u>	<u>479,160</u>

Other loans comprise an invoice discounting facility.

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group	Hire purchase contracts	
	2014	2013
	£	£
Net obligations repayable:		
Within one year	227,386	207,683
Between one and five years	364,671	184,255
	<u>592,057</u>	<u>391,938</u>

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

Company

	Hire purchase contracts	
	2014	2013
	£	£
Net obligations repayable:		
Within one year	215,833	207,683
Between one and five years	343,928	184,255
	<u>559,761</u>	<u>391,938</u>

The following operating lease payments are committed to be paid within one year:

Group

	Land and buildings	
	2014	2013
	£	£
Expiring:		
Between one and five years	<u>35,000</u>	<u>35,000</u>

Company

	Land and buildings	
	2014	2013
	£	£
Expiring:		
Between one and five years	<u>35,000</u>	<u>35,000</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans	517,496	555,832	517,496	555,832
Hire purchase contracts	592,057	391,938	559,761	391,938
Invoice discounting	<u>2,858,434</u>	<u>2,375,162</u>	<u>2,858,434</u>	<u>2,375,162</u>
	<u>3,967,987</u>	<u>3,322,932</u>	<u>3,935,691</u>	<u>3,322,932</u>

The bank loans (and overdraft facilities) are secured against the business property and additionally there is a charge over the other assets of the company. Further security over the bank loans and overdraft facilities is provided by personal guarantees from the directors amounting to £400,000.

The bank loan comprises a 60 month £575,000 term loan at a variable interest rate of LIBOR plus margin at 3.25%.

The bank loan is repayable by quarterly instalments and is due to be repaid in full by January 2018.

Finance leases and hire purchase creditors are secured on the assets concerned.

The invoice discounting facility is secured by an all asset debenture, a joint and several guarantee from the directors amounting to £300,000 and a guarantee from A E Morris Limited.

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

18. PROVISIONS FOR LIABILITIES

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Deferred tax				
Accelerated capital allowances	215,288	160,857	213,564	160,857
Other timing differences	(3,312)	(2,760)	(3,312)	(2,760)
	<u>211,976</u>	<u>158,097</u>	<u>210,252</u>	<u>158,097</u>

Group

	Deferred tax £
Balance at 2 October 2013	158,097
Provided during year	53,879
Balance at 1 October 2014	<u>211,976</u>

Company

	Deferred tax £
Balance at 2 October 2013	158,097
Provided during year	52,155
Balance at 1 October 2014	<u>210,252</u>

19. MINORITY INTERESTS

Minority interests comprise £11,163 at the start of the year and £Nil at the end of the year

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2014	2013
Number:	Class:	Nominal value:	£	£
250	Ordinary Shares	£1	<u>250</u>	<u>250</u>

21. RESERVES

Group

	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 2 October 2013	319,751	507,401	250	827,402
Profit for the year	494,899			494,899
Dividends	(291,474)			(291,474)
Transfer of depreciation on revalued assets.	68,829	(68,829)	-	-
At 1 October 2014	<u>592,005</u>	<u>438,572</u>	<u>250</u>	<u>1,030,827</u>

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

21. RESERVES - continued

Company

	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 2 October 2013	308,183	507,401	250	815,834
Profit for the year	481,787			481,787
Dividends	(291,474)			(291,474)
Transfer of depreciation on revalued assets.	68,829	(68,829)	-	-
At 1 October 2014	<u>567,325</u>	<u>438,572</u>	<u>250</u>	<u>1,006,147</u>

22. CONTINGENT LIABILITIES

The parent company has provided a guarantee under section 479 (a) of the Companies Act 2006 for all outstanding liabilities to Morris Metal Limited, the subsidiary company is subject at the period end. As at 1 October 2014, Morris Metal Limited had gross liabilities of £108,381 (2013 £177,238).

23. CAPITAL COMMITMENTS

	2014 £	2013 £
Contracted but not provided for in the financial statements	<u>365,000</u>	<u>-</u>

24. RELATED PARTY DISCLOSURES

During the year, total dividends of £266,830 were paid to the directors.

Included in creditors is a balance outstanding of £41,954 (2013 £46,372) to A E Morris Limited, a company in which A E Morris is a director and major shareholder.

A E Morris Limited has provided an unlimited guarantee and indemnity for the company in respect of the invoice discounting facility.

Creditors include £9,512 (2013 £38,014) to Mrs B Morris. Mrs B Morris is the wife of Mr A E Morris.

Creditors include £19,786 (2013 £2,880) due to Mr A E Morris, £27,572 (2013 £92,540) due to Mr S Morris and £18,717 (£3,780) due to Mr T Morris.

Interest of £12,480 has been accrued and charged to profit and loss in respect of the loan provided by Mr S Morris.

A bank loan given to the A E Morris Pension Scheme has been secured on one of the company's properties. The balance on the loan outstanding at the year end was £75,000 (2013 £95,000).

25. ULTIMATE CONTROLLING PARTY

The controlling party is A E Morris.

The ultimate controlling party is A E Morris.

Notes to the Consolidated Financial Statements - continued
For The Year Ended 1 October 2014

26. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2014 £	2013 £
Profit for the financial year	494,899	305,885
Dividends	(291,474)	(202,410)
	<hr/>	<hr/>
	203,425	103,475
Other recognised gains and losses relating to the year (net)	-	383,712
	<hr/>	<hr/>
Net addition to shareholders' funds	203,425	487,187
Opening shareholders' funds	827,652	340,465
	<hr/>	<hr/>
Closing shareholders' funds	1,031,077	827,652
	<hr/>	<hr/>

Company

	2014 £	2013 £
Profit for the financial year	481,787	291,307
Dividends	(291,474)	(202,410)
	<hr/>	<hr/>
	190,313	88,897
Other recognised gains and losses relating to the year (net)	-	383,712
	<hr/>	<hr/>
Net addition to shareholders' funds	190,313	472,609
Opening shareholders' funds	816,084	343,475
	<hr/>	<hr/>
Closing shareholders' funds	1,006,397	816,084
	<hr/>	<hr/>