

REGISTERED NUMBER 01419058 (England and Wales)

**Report of the Directors and**  
**Financial Statements for the Year Ended 31 December 2011**  
**for**  
**North Yorkshire Timber Company Limited**

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**North Yorkshire Timber Company Limited (Registered number: 01419058)**

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**for the Year Ended 31 December 2011**

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**North Yorkshire Timber Company Limited**

**Company Information**  
**for the Year Ended 31 December 2011**

**DIRECTORS:**

Mr A Gulliver  
Mr N P Kershaw  
Mr M P Williams  
Mr D L Cook  
Mr V Bellas  
Mr R Timmens

**SECRETARY**

Mr A Gulliver

**NON-EXECUTIVE CHAIRMAN**

Mr R Fawcett

**REGISTERED OFFICE:**

Standard House  
Thurston Road  
Northallerton Business Park  
Northallerton  
North Yorkshire  
DL6 2NA

**REGISTERED NUMBER:**

01419058 (England and Wales)

**AUDITORS:**

Lishman Sidwell Campbell & Price LLP  
Statutory Auditor  
87 South Parade  
Northallerton  
North Yorkshire  
DL7 8SJ

**SOLICITORS:**

Thorp Parker  
Martin House  
High Street  
Stokesley  
North Yorkshire  
TS9 5AD

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Report of the Directors**  
**for the Year Ended 31 December 2011**

The directors present their report with the financial statements of the company for the year ended 31 December 2011

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of retailing timber and building products

**REVIEW OF BUSINESS**

The directors have reviewed the development and performance of the business during the financial year

The trading conditions as in recent years remain unpredictable. The company moved into exploiting a number of new opportunities in the first half of the year as part of its efforts to expand into new diverse timber manufacturing business areas to exploit opportunities for growth. The company made a number of investments which resulted in increased costs to exploit these opportunities.

However there was a sharp downturn that took place towards the end of the third quarter that impacted both manufacturing and the general timber trading side of the business.

As soon as the downturn became prolonged and it became evident that there was unlikely to be an early improvement in trading, the directors following similar experiences in recent years implemented as quickly as possible a number of measures to reduce the impact of this new downturn.

Since the year end the directors have been very successful in identifying and implementing a number of substantial overhead cost savings at minimum cost.

However throughout this period of challenging trading conditions the directors continue to seek out new business opportunities and products to exploit the skills, experience and infrastructure that the company possesses. During the year the company began manufacturing of panelised roof systems and park homes and the directors are already identifying further new opportunities with modular roof systems.

The directors are disappointed by 2011's profit performance but are aware that the addition of a number of new manufacturing areas required an investment in the infrastructure to be able to exploit these new opportunities which resulted in additional overhead costs being incurred.

However the directors have been very quick to adapt to the recent and prolonged downturn to ensure that they are not exposed with substantial savings being made to tune the business to the current trading conditions.

The business's strong financial position has now been improved in 2012 with a reduced cost base as a proportion of its sales which will allow it to generate more profits from additional turnover in future years.

The Directors have demonstrated their ability to tightly manage and reduce the costs of the business in addition to generating new sales opportunities. As in previous years the key business risks relates to turnover due to the fragility of the economy and the continuing upheaval within the financial markets.

Their other key performance indicators are gross margin, overdraft levels, debtor and creditor days and stock turnover. All of these are well controlled and all fall well within expected parameters and in some cases are exemplary but as always there still remains scope for improvement.

**DIVIDENDS**

Interim dividends totalling £2 334 per share were paid throughout the year. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31st December 2011 will be £233,400.

**FIXED ASSETS**

The movements in fixed assets are set out in note nine on pages fifteen and sixteen of the financial statements.

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Report of the Directors**  
**for the Year Ended 31 December 2011**

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2011 to the date of this report

Mr A Gulliver  
Mr N P Kershaw  
Mr M P Williams  
Mr D L Cook  
Mr V Bellas  
Mr R Timmens

**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 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,
- 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.

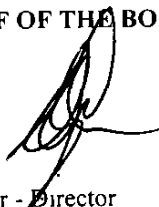
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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 company'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 company's auditors are aware of that information.

**AUDITORS**

The auditors, Lishman Sidwell Campbell & Price LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD**



Mr A Gulliver - Director

Date

29/08/12

**Report of the Independent Auditors to the Members of**  
**North Yorkshire Timber Company Limited**

We have audited the financial statements of North Yorkshire Timber Company Limited for the year ended 31 December 2011 on pages five to twenty. 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 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 Report of the Directors to identify material inconsistencies with the audited financial statements. 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 company's affairs as at 31 December 2011 and of its loss 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 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, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

PETER TARRIN  
Lishman Sidwell Campbell & Price LLP  
Peter Tarren FCA (Senior Statutory Auditor)  
for and on behalf of Lishman Sidwell Campbell & Price LLP  
Statutory Auditor  
87 South Parade  
Northallerton  
North Yorkshire  
DL7 8SJ

Date

29/08/12

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Profit and Loss Account**  
**for the Year Ended 31 December 2011**

	Notes	Year Ended 31 12 11 £	£	Period 1 4 10 to 31 12 10 £	£
<b>TURNOVER</b>			14,913,421		11,299,597
Cost of sales			10,525,690		7,745,966
<b>GROSS PROFIT</b>			4,387,731		3,553,631
Distribution costs		1,691,505		1,193,637	
Administrative expenses		2,792,824		2,124,349	
			4,484,329		3,317,986
			(96,598)		235,645
Other operating income			375,169		211,838
<b>OPERATING PROFIT</b>	3		278,571		447,483
Exceptional costs for a new manufacturing concept			158,811		-
			119,760		447,483
Interest payable and similar charges	4		157,640		102,980
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			(37,880)		344,503
Tax on (loss)/profit on ordinary activities	5		(13,437)		99,811
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>			(24,443)		244,692

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous period

The notes form part of these financial statements

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Statement of Total Recognised Gains and Losses**  
**for the Year Ended 31 December 2011**

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	(24,443)	244,692
Revaluation Reserve Depreciation	(11,638)	(7,228)
Revaluation of Freehold Property	-	136,378
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b>(36,081)</b> <hr/>	<b>373,842</b> <hr/>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these financial statements



**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Balance Sheet**  
**31 December 2011**

	Notes	2011 £	2010 £
<b>FIXED ASSETS</b>			
Intangible assets	7	161,427	196,419
Tangible assets	8	5,050,860	5,214,626
Investments	9	2,770	2,770
		<u>5,215,057</u>	<u>5,413,815</u>
<b>CURRENT ASSETS</b>			
Stocks	10	1,800,621	1,978,164
Debtors	11	2,554,339	2,174,682
Cash in hand		2,521	2,457
		<u>4,357,481</u>	<u>4,155,303</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>3,584,737</u>	<u>3,108,557</u>
<b>NET CURRENT ASSETS</b>		<u>772,744</u>	<u>1,046,746</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,987,801</u>	<u>6,460,561</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(2,452,576)	(2,623,030)
<b>PROVISIONS FOR LIABILITIES</b>	17	<u>(83,289)</u>	<u>(116,114)</u>
<b>NET ASSETS</b>		<u><u>3,451,936</u></u>	<u><u>3,721,417</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	100,000	100,000
Revaluation reserve	19	748,249	759,887
Capital redemption reserve	19	50,000	50,000
Profit and loss account	19	2,553,687	2,811,530
<b>SHAREHOLDERS' FUNDS</b>	25	<u><u>3,451,936</u></u>	<u><u>3,721,417</u></u>

The financial statements were approved and authorised for issue by the Board of Directors on  
were signed on its behalf by



Mr A Gulliver - Director

29/08/12

and

The notes form part of these financial statements

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Cash Flow Statement**  
**for the Year Ended 31 December 2011**

	Notes	Year Ended 31 12 11 £	£	Period 1 4 10 to 31 12 10 £	£
Net cash inflow from operating activities	1		629,701		675,527
Returns on investments and servicing of finance	2		(157,640)		(102,980)
Taxation			(209,789)		-
Capital expenditure	2		(77,239)		(113,920)
Equity dividends paid			(245,900)		(208,800)
			(60,867)		249,827
Financing	2		(197,775)		764,152
(Decrease)/increase in cash in the period			(258,642)		1,013,979
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/increase in cash in the period		(258,642)		1,013,979	
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		197,774		(764,151)	
Change in net debt resulting from cash flows			(60,868)		249,828
Movement in net debt in the period			(60,868)		249,828
Net debt at 1 January			(3,161,951)		(3,411,779)
Net debt at 31 December			(3,222,819)		(3,161,951)

The notes form part of these financial statements

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 December 2011**

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
Operating profit	278,571	447,483
Depreciation charges	264,403	208,307
Profit on disposal of fixed assets	(43)	(1,319)
Exceptional item	(158,811)	-
Decrease/(increase) in stocks	177,543	(75,347)
Increase in debtors	(379,657)	(113,465)
Increase in creditors	447,695	209,868
<b>Net cash inflow from operating activities</b>	<b>629,701</b>	<b>675,527</b>

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

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(149,444)	(95,733)
Interest element of hire purchase payments	(8,196)	(7,247)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(157,640)</b>	<b>(102,980)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(82,672)	(116,120)
Sale proceeds of tangible fixed assets	5,433	2,200
<b>Net cash outflow for capital expenditure</b>	<b>(77,239)</b>	<b>(113,920)</b>
<b>Financing</b>		
New loans in year	-	2,750,000
Loan repayments in year	(151,321)	(2,006,053)
New agreements / capital repayments	(46,454)	20,205
<b>Net cash (outflow)/inflow from financing</b>	<b>(197,775)</b>	<b>764,152</b>

The notes form part of these financial statements

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 December 2011**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 1 11 £	Cash flow £	At 31 12 11 £
Net cash			
Cash at bank and in hand	2,457	64	2,521
Bank overdraft	(332,916)	(258,706)	(591,622)
	<u>(330,459)</u>	<u>(258,642)</u>	<u>(589,101)</u>
Debt			
Hire purchase	(99,203)	46,454	(52,749)
Debts falling due within one year	(152,087)	767	(151,320)
Debts falling due after one year	(2,580,202)	150,553	(2,429,649)
	<u>(2,831,492)</u>	<u>197,774</u>	<u>(2,633,718)</u>
Total	<u>(3,161,951)</u>	<u>(60,868)</u>	<u>(3,222,819)</u>

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 31 December 2011**

**ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Freehold property	- 2% on revaluation
Short leasehold	- Straight line over 20 years
Office equipment, fixtures & fittings	- 20% on reducing balance
Handling plant	- 15% on reducing balance
Computer system	- 25% straight line
Motor vehicles	- 25% on reducing balance
Commercial vehicles	- 25% on reducing balance

**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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

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

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of businesses, is being written off evenly over its estimated useful life of ten years.

**Investments**

Investments have been valued at cost.

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**2 STAFF COSTS**

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
Wages and salaries	2,823,967	1,966,064
Social security costs	266,508	178,080
Other pension costs	25,374	25,424
	<u>3,115,849</u>	<u>2,169,568</u>

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

	Year Ended 31 12 11	Period 1 4 10 to 31 12 10
Machinists, Yard & Drivers	73	60
Sales	37	36
Office/Administration	17	16
Directors	6	6
	<u>133</u>	<u>118</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
Depreciation - owned assets	224,258	163,807
Depreciation - assets on hire purchase contracts	16,790	25,484
Profit on disposal of fixed assets	(43)	(1,319)
Goodwill amortisation	34,992	26,244
Auditors' remuneration	9,700	9,700
Auditors' remuneration for non audit work	7,028	-
	<u>298,848</u>	<u>253,231</u>
Directors' remuneration	9,647	12,772
Directors' pension contributions to money purchase schemes		

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**3 OPERATING PROFIT - continued**

Information regarding the highest paid director is as follows

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
Emoluments etc	80,000	59,759
Pension contributions to money purchase schemes	<u>3,216</u>	<u>7,228</u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
Bank interest	12,599	27,479
Bank loan interest	136,845	68,254
Hire purchase	<u>8,196</u>	<u>7,247</u>
	<u>157,640</u>	<u>102,980</u>

**5 TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss on ordinary activities for the year was as follows

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
Current tax		
UK corporation tax	16,392	96,603
Prior years tax	<u>2,996</u>	<u>-</u>
Total current tax	19,388	96,603
Deferred tax	<u>(32,825)</u>	<u>3,208</u>
Tax on (loss)/profit on ordinary activities	<u>(13,437)</u>	<u>99,811</u>

**6 DIVIDENDS**

	Year Ended 31 12 11 £	Period 1 4 10 to 31 12 10 £
Ordinary shares of £1 each		
Interim	<u>233,400</u>	<u>208,800</u>

**North Yorkshire Timber Company Limited (Registered number 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**7 INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 January 2011	
and 31 December 2011	<u>348,920</u>
<b>AMORTISATION</b>	
At 1 January 2011	152,501
Amortisation for year	<u>34,992</u>
At 31 December 2011	<u>187,493</u>
<b>NET BOOK VALUE</b>	
At 31 December 2011	<u>161,427</u>
At 31 December 2010	<u>196,419</u>

**8 TANGIBLE FIXED ASSETS**

	Freehold property £	Short leasehold £	Office equipment, fixtures & fittings £	Handling plant £
<b>COST OR VALUATION</b>				
At 1 January 2011	4,200,000	238,291	764,980	901,675
Additions	20,505	2,984	10,679	25,817
Disposals	-	-	-	(11,598)
At 31 December 2011	<u>4,220,505</u>	<u>241,275</u>	<u>775,659</u>	<u>915,894</u>
<b>DEPRECIATION</b>				
At 1 January 2011	-	57,985	496,392	545,578
Charge for year	56,110	12,063	55,082	59,105
Eliminated on disposal	-	-	-	(6,208)
At 31 December 2011	<u>56,110</u>	<u>70,048</u>	<u>551,474</u>	<u>598,475</u>
<b>NET BOOK VALUE</b>				
At 31 December 2011	<u>4,164,395</u>	<u>171,227</u>	<u>224,185</u>	<u>317,419</u>
At 31 December 2010	<u>4,200,000</u>	<u>180,306</u>	<u>268,588</u>	<u>356,097</u>



**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**8 TANGIBLE FIXED ASSETS - continued**

	Computer system £	Motor vehicles £	Commercial vehicles £	Totals £
<b>COST OR VALUATION</b>				
At 1 January 2011	448,594	79,350	211,324	6,844,214
Additions	8,512	14,175	-	82,672
Disposals	-	-	-	(11,598)
At 31 December 2011	457,106	93,525	211,324	6,915,288
<b>DEPRECIATION</b>				
At 1 January 2011	340,076	51,545	138,012	1,629,588
Charge for year	32,126	8,454	18,108	241,048
Eliminated on disposal	-	-	-	(6,208)
At 31 December 2011	372,202	59,999	156,120	1,864,428
<b>NET BOOK VALUE</b>				
At 31 December 2011	84,904	33,526	55,204	5,050,860
At 31 December 2010	108,518	27,805	73,312	5,214,626

Cost or valuation at 31 December 2011 is represented by

	Freehold property £	Short leasehold £	Office equipment, fixtures & fittings £	Handling plant £
Valuation in 2010	581,898	-	-	-
Cost	3,638,607	241,275	775,659	915,894
	4,220,505	241,275	775,659	915,894

	Computer system £	Motor vehicles £	Commercial vehicles £	Totals £
Valuation in 2010	-	-	-	581,898
Cost	457,106	93,525	211,324	6,333,390
	457,106	93,525	211,324	6,915,288

Freehold land and buildings were valued on an open market basis on 20 October 2010 by Sanderson Weatherall LLP

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**8 TANGIBLE FIXED ASSETS - continued**

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

	Handling plant £	Motor vehicles £	Commercial vehicles £	Totals £
<b>COST OR VALUATION</b>				
At 1 January 2011	199,510	30,575	35,450	265,535
Additions	-	14,175	-	14,175
Transfer to ownership	(130,400)	(17,385)	-	(147,785)
At 31 December 2011	69,110	27,365	35,450	131,925
<b>DEPRECIATION</b>				
At 1 January 2011	80,446	21,185	9,491	111,122
Charge for year	9,279	4,521	2,990	16,790
Transfer to ownership	(65,125)	(18,986)	-	(84,111)
At 31 December 2011	24,600	6,720	12,481	43,801
<b>NET BOOK VALUE</b>				
At 31 December 2011	44,510	20,645	22,969	88,124
At 31 December 2010	119,064	9,390	25,959	154,413

**9 FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST</b>	
At 1 January 2011 and 31 December 2011	2,770
<b>NET BOOK VALUE</b>	
At 31 December 2011	2,770
At 31 December 2010	2,770

The investments represent shares in United Merchants plc and National Merchant Buying Society Ltd

**10 STOCKS**

	2011 £	2010 £
Goods for resale	1,800,621	1,978,164

**North Yorkshire Timber Company Limited (Registered number 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011	2010
	£	£
Trade debtors	1,769,165	1,573,479
Prepayments and accrued income	785,174	601,203
	<u>2,554,339</u>	<u>2,174,682</u>

**12 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011	2010
	£	£
Bank loans and overdrafts (see note 14)	742,942	485,003
Hire purchase contracts (see note 15)	29,822	56,375
Trade creditors	2,409,609	2,017,232
Tax	16,392	206,793
Social security and other taxes	75,857	60,511
VAT	254,424	193,022
Proposed dividends	-	12,500
Accrued expenses	55,691	77,121
	<u>3,584,737</u>	<u>3,108,557</u>

**13 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2011	2010
	£	£
Bank loans (see note 14)	2,429,649	2,580,202
Hire purchase contracts (see note 15)	22,927	42,828
	<u>2,452,576</u>	<u>2,623,030</u>

**14 LOANS**

An analysis of the maturity of loans is given below

	2011	2010
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	591,622	332,916
Bank loans	151,320	152,087
	<u>742,942</u>	<u>485,003</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>151,320</u>	<u>152,087</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>453,960</u>	<u>456,260</u>

Amounts falling due in more than five years

**North Yorkshire Timber Company Limited (Registered number 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**14 LOANS - continued**

	2011 £	2010 £
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>1,824,369</u>	<u>1,971,855</u>

**15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS**

	2011 £	2010 £
Gross obligations repayable		
Within one year	33,001	63,407
Between one and five years	<u>25,332</u>	<u>47,100</u>
	<u>58,333</u>	<u>110,507</u>
Finance charges repayable		
Within one year	3,179	7,032
Between one and five years	<u>2,405</u>	<u>4,272</u>
	<u>5,584</u>	<u>11,304</u>
Net obligations repayable		
Within one year	29,822	56,375
Between one and five years	<u>22,927</u>	<u>42,828</u>
	<u>52,749</u>	<u>99,203</u>

**16 SECURED DEBTS**

The following secured debts are included within creditors

	2011 £	2010 £
Bank overdrafts	591,622	332,916
Bank loans	<u>2,580,969</u>	<u>2,732,289</u>
	<u>3,172,591</u>	<u>3,065,205</u>

The bank borrowings are secured with a debenture incorporating a fixed and floating charge over all the assets of the company, together with first legal charges over the company's freehold property. There is also a cross guarantee with NYT Holdings Limited.

**17 PROVISIONS FOR LIABILITIES**

	2011 £	2010 £
Deferred tax	<u>83,289</u>	<u>116,114</u>

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**17 PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 January 2011	116,114
Accelerated capital allowances	(32,825)
	<hr/>
Balance at 31 December 2011	83,289
	<hr/>

**18 CALLED UP SHARE CAPITAL**

Number	Class	Nominal value £1	2011 £	2010 £
100,000	Ordinary		<u>100,000</u>	<u>100,000</u>

**19 RESERVES**

	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 January 2011	2,811,530	759,887	50,000	3,621,417
Deficit for the year	(24,443)			(24,443)
Dividends	(233,400)			(233,400)
Freehold property transfer to P&L account	-	(11,638)	-	(11,638)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2011	<u>2,553,687</u>	<u>748,249</u>	<u>50,000</u>	<u>3,351,936</u>

**20 PENSION COMMITMENTS**

The company operates two schemes providing benefits for employees and four directors and additional to those from the state. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge for the period amounted to £25,374 (2010 - £26,024).

**21 ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of NYT (Holdings) Ltd.

**22 CONTINGENT LIABILITIES**

There is a customs bond with a limit of £25,000 in place with the company's bankers. This guarantee is in respect of import duties due to HM Revenue and Customs under their VAT deferment scheme.

**North Yorkshire Timber Company Limited (Registered number: 01419058)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2011**

**23 RELATED PARTY DISCLOSURES**

The company pays commercial rentals and service charges in respect of premises it occupies which are owned by NYT Pension Scheme. The charges for the period amounted to £129,310 (2010 - £74,543)

North Yorkshire Timber Limited provided the pension scheme with property services throughout the period, which amounted to £48,000 (2010 - £36,000)

All of the above transactions have been undertaken at arms length and on normal commercial terms

**24 ULTIMATE CONTROLLING PARTY**

The company is controlled by Mr D L Cook, through his majority shareholding in NYT (Holdings) Limited

**25 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
(Loss)/profit for the financial year	(24,443)	244,692
Dividends	(233,400)	(208,800)
	<u>(257,843)</u>	<u>35,892</u>
Other recognised gains and losses relating to the year (net)	(11,638)	129,150
Revaluation adjustment		
	<u>(269,481)</u>	<u>165,042</u>
Net (reduction)/addition to shareholders' funds	3,721,417	3,556,375
Opening shareholders' funds		
	<u>3,451,936</u>	<u>3,721,417</u>
Closing shareholders' funds		