

Financial Statements Bepco (UK) Limited

For the year ended 31 December 2011

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COMPANIES HOUSE

Registered number: 1440643

Company Information

Company number 1440643

Registered office Bepco House
Hartlebury Trading Estate
Hartlebury
Worcestershire
DY10 4JB

Directors K Palmer
G Fioranelli (appointed 12 September 2011)
S Mazzotta (appointed 12 September 2011)
E Salter (appointed 10 November 2011)

Company secretary K Palmer

Auditor Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
Enterprise House
115 Edmund Street
Birmingham
West Midlands
B3 2HJ

Bankers KBC Bank NV
3 Brindley Place
Birmingham
B1 2JB

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Directors' Report

For the year ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities

The principal activities of the company are as a wholesaler of agricultural spares

Although the business has seen a weakening of demand from the Irish market, the directors consider that the company is in a strong position to take advantage of the existing market conditions and expect profits to continue to be generated in the future

Directors

The directors who served during the year were

K Palmer

J A Howat (deceased 9 August 2011)

G Fioranelli (appointed 12 September 2011)

S Mazzotta (appointed 12 September 2011)

E Salter (appointed 10 November 2011)

The directors are saddened to report the death of J A Howat on 9 August 2011

Directors' responsibilities statement

The directors are responsible for preparing 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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' Report

For the year ended 31 December 2011

Provision of information to auditor

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 auditor is 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 information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

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



K Palmer

Director

Date 15 March 2012

Independent Auditor's Report to the Members of Bepco (UK) Limited

We have audited the financial statements of Bepco (UK) Limited for the year ended 31 December 2011, which comprise the Profit and loss account, the Balance sheet and the related notes. 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 an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, 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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Bepco (UK) Limited

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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report

A handwritten signature in black ink, appearing to read "Mark Taylor".

Mark Taylor (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Birmingham

15 March 2012

Profit and Loss Account

For the year ended 31 December 2011

	Note	2011 £000	2010 £000
Turnover	1,2	3,174	3,963
Cost of sales		<u>(2,281)</u>	<u>(2,846)</u>
Gross profit		893	1,117
Administrative expenses		<u>(761)</u>	<u>(854)</u>
Operating profit	3	132	263
Interest payable and similar charges	5	<u>(11)</u>	<u>-</u>
Profit on ordinary activities before taxation		121	263
Tax on profit on ordinary activities	6	<u>(32)</u>	<u>(55)</u>
Profit for the financial year	11	<u>89</u>	<u>208</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 7 to 13 form part of these financial statements

Balance Sheet

As at 31 December 2011

	Note	£000	2011 £000	£000	2010 £000
Fixed assets					
Tangible assets	7		32		46
Current assets					
Debtors	8	3,180		2,770	
Cash at bank		274		351	
		<u>3,454</u>		<u>3,121</u>	
Creditors: amounts falling due within one year	9	<u>(1,090)</u>		<u>(860)</u>	
Net current assets			<u>2,364</u>		<u>2,261</u>
Total assets less current liabilities			<u><u>2,396</u></u>		<u><u>2,307</u></u>
Capital and reserves					
Called up share capital	10		301		301
Profit and loss account	11		<u>2,095</u>		<u>2,006</u>
Equity shareholders' funds	12		<u><u>2,396</u></u>		<u><u>2,307</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



K Palmer
 Director
 Date 15 March 2012

The notes on pages 7 to 13 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 December 2011

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods despatched to customers

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Motor vehicles	-	30% per annum straight line
Fixtures & fittings	-	20% per annum straight line

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase 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.

1.6 Operating leases

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

Notes to the Financial Statements

For the year ended 31 December 2011

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 not 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 Related party transactions

FRS 8 'Related party disclosures' requires the disclosure of details of any material transactions between the reporting entity and any related parties

The company has taken advantage of the exemption conferred upon 90% subsidiaries from reporting transactions within the group

1.10 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity

Notes to the Financial Statements

For the year ended 31 December 2011

2. Turnover

The whole of the turnover is attributable to the companies principle activities

A geographical analysis of turnover is as follows

	2011 £000	2010 £000
United Kingdom	2,264	2,715
Rest of European Union	910	1,248
	<u>3,174</u>	<u>3,963</u>

3. Operating profit

The operating profit is stated after charging/(crediting)

	2011 £000	2010 £000
Depreciation of tangible fixed assets		
- owned by the company	17	3
- held under finance leases	-	14
Auditors' remuneration	10	10
Operating lease rentals		
- plant and machinery	2	16
Difference on foreign exchange	(13)	57
	<u></u>	<u></u>

During the year, no director received any emoluments (2010 - £NIL)

Notes to the Financial Statements

For the year ended 31 December 2011

4. Staff costs

Staff costs were as follows

	2011 £000	2010 £000
Wages and salaries	384	474
Social security costs	34	30
	<u>418</u>	<u>504</u>

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

	2011 No.	2010 No
Administration	2	2
Selling and distribution	9	9
	<u>11</u>	<u>11</u>

5. Interest payable

	2011 £000	2010 £000
On bank overdrafts	<u>11</u>	<u>-</u>

6. Taxation

	2011 £000	2010 £000
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	19	55
Adjustments in respect of prior periods	13	-
	<u>32</u>	<u>55</u>
Tax on profit on ordinary activities		

Notes to the Financial Statements

For the year ended 31 December 2011

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2010 - lower than) the standard rate of corporation tax in the UK of 26.49% (2010 - 28%). The differences are explained below

	2011 £000	2010 £000
Profit on ordinary activities before tax	121	263
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.49% (2010 - 28%)	32	74
Effects of:		
Expenses not deductible for tax purposes	-	(6)
Accelerated capital allowances	2	3
Adjustments to tax charge in respect of prior periods	13	-
Group relief received for no payment	(15)	(16)
Current tax charge for the year (see note above)	32	55

Factors that may affect future tax charges

There were no factors that may affect future tax charges

7. Tangible fixed assets

	Motor vehicles £000	Fixtures & fittings £000	Total £000
Cost			
At 1 January 2011	12	164	176
Additions	-	3	3
At 31 December 2011	12	167	179
Depreciation			
At 1 January 2011	9	121	130
Charge for the year	2	15	17
At 31 December 2011	11	136	147
Net book value			
At 31 December 2011	1	31	32
At 31 December 2010	3	43	46

Notes to the Financial Statements

For the year ended 31 December 2011

7. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2011 £000	2010 £000
Furniture, fittings and equipment	-	41,727

8. Debtors

	2011 £000	2010 £000
Due after more than one year		
Amounts owed by group undertakings	-	1,564
Due within one year		
Trade debtors	644	739
Amounts owed by group undertakings	2,506	432
Other debtors	30	35
	<u>3,180</u>	<u>2,770</u>

9. Creditors:**Amounts falling due within one year**

	2011 £000	2010 £000
Net obligations under finance leases and hire purchase contracts	-	22
Trade creditors	131	119
Amounts owed to group undertakings	430	589
Corporation tax	20	55
Amounts owed to invoice discounter	457	-
Other creditors	8	5
Accruals and deferred income	44	70
	<u>1,090</u>	<u>860</u>

10. Share capital

	2011 £000	2010 £000
Allotted, called up and fully paid		
301,000 Ordinary shares shares of £1 each	301	301

Notes to the Financial Statements

For the year ended 31 December 2011

11. Reserves

	Profit and loss account £000
At 1 January 2011	2,006
Profit for the year	89
	<hr/>
At 31 December 2011	2,095
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12. Reconciliation of movement in equity shareholders' funds

	2011 £000	2010 £000
Opening equity shareholders' funds	2,307	2,099
Profit for the year	89	208
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Closing equity shareholders' funds	2,396	2,307
	<hr/>	<hr/>

13. Contingent liabilities

The company has issued an unlimited guarantee to support group facilities. The amount outstanding on the group guarantee at 31 December 2011 is £10,244,251 (2010 £9,478,835)

14. Operating lease commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	2011 £000	2010 £000
Expiry date		
Within 1 year	5	6
Between 2 and 5 years	6	11
After more than 5 years	31	-
	<hr/>	<hr/>
Total	42	17
	<hr/>	<hr/>

15. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Bepco Group Limited, a company registered in England and Wales

The company's ultimate parent undertaking in the United Kingdom at 31 December 2011 was Tractiv Group Limited

The ultimate parent undertaking is GB London S P A, a company registered in Italy