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# A J MARSHALL (SPECIAL STEELS) LIMITED

Company Number 01513555

## ABBREVIATED ACCOUNTS

For The Period Ended 31 January 2009

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### HENTON & CO

CHARTERED ACCOUNTANTS

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19/05/2009

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COMPANIES HOUSE

Company Registration No. 01513555 (England and Wales)

**A J MARSHALL (SPECIAL STEELS) LIMITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31 JANUARY 2009**

# **A J MARSHALL (SPECIAL STEELS) LIMITED**

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# A J MARSHALL (SPECIAL STEELS) LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 JANUARY 2009

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The directors present their report and financial statements for the year ended 31 January 2009.

#### Principal activities and review of the business

The principal activity of the company continued to be that of the procurement, processing and supply of steel plate to customers in the UK and Ireland, Europe and other overseas customers.

The Company continues to grow with turnover up 13.86%. The worldwide demand for steel has led to new opportunities for the Company. The sales since late in 2008 have fallen in light of the current economic climate and the directors do not expect the growth in turnover which has occurred in the previous years to continue in 2009.

The gross profit has increased to £1,574,547 although the company has suffered with the rising cost price of steel.

The company sells in sterling and euros and buys mainly in euros. The level of euro purchases is monitored so the company is not over exposed to currency fluctuations.

The company's credit risk is attributable to trade debtors. Stringent credit checks and credit insurance are used.

The Company has sufficient liquidity available to cover normal working capital requirements and to take advantage of new opportunities that may arise.

The company has strengthened its financial basis with the retaining of the profits. Due to the economic climate, stock levels are higher than optimal for the business. Future purchasing plans have been considered in light of the stock levels.

#### Results and dividends

The results for the year are set out on page 4.

No dividends have been paid during the year. The directors do not recommend the payment of a final dividend.

#### Directors

The following directors have held office since 1 February 2008:

P A Marshall

A V Marshall

#### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 January 2009	1 February 2008
P A Marshall	22	22
A V Marshall	99,978	99,978

#### Auditors

The auditors, Henton & Co LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

# **A J MARSHALL (SPECIAL STEELS) LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JANUARY 2009**

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### **Statement of directors' responsibilities**

The directors are responsible for preparing 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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 proper accounting records that 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 1985. 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 of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



S P Dobbins

**Secretary**

7 April 2009

# **A J MARSHALL (SPECIAL STEELS) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO A J MARSHALL (SPECIAL STEELS) LIMITED**

### **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 4 to 14, together with the financial statements of A J Marshall (Special Steels) Limited for the year ended 31 January 2009 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an auditors' report on abbreviated accounts 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 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

#### **Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 to be delivered are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Henton & Co LLP

7 April 2009

**Chartered Accountants  
Registered Auditor**

St Andrew's House  
St Andrew's Street  
Leeds  
LS3 1LF

# A J MARSHALL (SPECIAL STEELS) LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2009

	Notes	2009 £	2008 £
Gross profit		1,574,648	1,823,605
Distribution costs		(176,535)	(175,356)
Administrative expenses		(947,033)	(1,309,339)
Operating profit	2	451,080	338,910
Other interest receivable and similar income		32,171	59,255
Interest payable and similar charges	4	(209,110)	(174,632)
Profit on ordinary activities before taxation		274,141	223,533
Tax on profit on ordinary activities	5	(62,076)	(47,676)
Profit for the year	13	212,065	175,857

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# A J MARSHALL (SPECIAL STEELS) LIMITED

## ABBREVIATED BALANCE SHEET

AS AT 31 JANUARY 2009

	Notes	2009 £	£	2008 £	£
<b>Fixed assets</b>					
Tangible assets	6		78,708		74,810
<b>Current assets</b>					
Stocks	7	4,816,685		3,261,428	
Debtors	8	817,454		1,598,284	
Cash at bank and in hand		529,206		909,343	
		<u>6,163,345</u>		<u>5,769,055</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(2,435,670)</u>		<u>(2,251,370)</u>	
<b>Net current assets</b>			<u>3,727,675</u>		<u>3,517,685</u>
<b>Total assets less current liabilities</b>			3,806,383		3,592,495
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(1,686,823)</u>		<u>(1,685,000)</u>
			<u>2,119,560</u>		<u>1,907,495</u>
<b>Capital and reserves</b>					
Called up share capital	12		100,000		100,000
Profit and loss account	13		<u>2,019,560</u>		<u>1,807,495</u>
<b>Shareholders' funds</b>	14		<u>2,119,560</u>		<u>1,907,495</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Approved by the Board and authorised for issue on 7 April 2009

A V Marshall  
Director





# A J MARSHALL (SPECIAL STEELS) LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2009

	£	2009 £	£	2008 £
<b>Net cash (outflow)/inflow from operating activities</b>		(110,953)		55,615
<b>Returns on investments and servicing of finance</b>				
Interest received	32,171		59,255	
Interest paid	(209,110)		(174,632)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(176,939)		(115,377)
<b>Taxation</b>		(48,132)		(61,644)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(52,936)		(51,477)	
Receipts from sales of tangible assets	7,000		17,850	
<b>Net cash outflow for capital expenditure</b>		(45,936)		(33,627)
<b>Net cash outflow before management of liquid resources and financing</b>		(381,960)		(155,033)
<b>Financing</b>				
Other new long term loans	1,823		-	
<b>Net cash inflow/(outflow) from financing</b>		1,823		-
<b>Decrease in cash in the year</b>		(380,137)		(155,033)

# A J MARSHALL (SPECIAL STEELS) LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2009

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2009		2008	
		£		£	
	Operating profit	451,080		338,910	
	Depreciation of tangible assets	49,038		48,482	
	Profit on disposal of tangible assets	(7,000)		(11,667)	
	Increase in stocks	(1,555,257)		(698,764)	
	Decrease/(increase) in debtors	780,930		(229,426)	
	Increase in creditors within one year	170,256		608,080	
	<b>Net cash (outflow)/inflow from operating activities</b>	<b>(110,953)</b>		<b>55,615</b>	
2	Analysis of net debt	1 February 2008	Cash flow	Other non-cash changes	31 January 2009
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	909,343	(380,137)	-	529,206
	Bank deposits	-	-	-	-
	Debt:				
	Debts falling due after one year	(1,685,000)	(1,823)	-	(1,686,823)
	<b>Net debt</b>	<b>(775,657)</b>	<b>(381,960)</b>	<b>-</b>	<b>(1,157,617)</b>
3	Reconciliation of net cash flow to movement in net debt	2009		2008	
		£		£	
	Decrease in cash in the year	(380,137)		(155,033)	
	Cash inflow from increase in debt	(1,823)		-	
	<b>Movement in net debt in the year</b>	<b>(381,960)</b>		<b>(155,033)</b>	
	Opening net debt	(775,657)		(620,624)	
	<b>Closing net debt</b>	<b>(1,157,617)</b>		<b>(775,657)</b>	

# A J MARSHALL (SPECIAL STEELS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JANUARY 2009

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents sales to external customers at invoiced amounts less Value Added Tax. Turnover is recognised when risks and rewards of owning the goods are passed to the customers, which is generally on delivery.

#### 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 less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Straight line over lease period (10 years)
Plant and machinery	12.5% - 25% straight line
Fixtures, fittings & equipment	20% - 25% straight line
Motor vehicles	25% straight line

#### 1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

#### 1.7 Pensions

The company operates a pension scheme whereby the company pays contributions directly into personal pension plans on behalf of some of its employees. Contributions are charged to the profit and loss account in the period in which they are paid.

#### 1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.9 Foreign currency translation

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

# A J MARSHALL (SPECIAL STEELS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 JANUARY 2009

<b>2</b>	<b>Operating profit</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging:		
	Depreciation of tangible assets	49,038	48,482
	Loss on foreign exchange transactions	245,958	119,426
	Operating lease rentals	59,250	57,000
	Auditors' remuneration (including expenses and benefits in kind)	6,770	7,063
	and after crediting:		
	Profit on disposal of tangible assets	(7,000)	(11,667)
		<u>          </u>	<u>          </u>
<b>3</b>	<b>Investment income</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Bank interest	32,165	59,255
	Other interest	6	-
		<u>          </u>	<u>          </u>
		32,171	59,255
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Interest payable</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	14	120
	Other interest	209,096	174,512
		<u>          </u>	<u>          </u>
		209,110	174,632
		<u>          </u>	<u>          </u>

# A J MARSHALL (SPECIAL STEELS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2009

5	Taxation	2009 £	2008 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	62,076	48,132
	Adjustment for prior years	-	(456)
	<b>Current tax charge</b>	<u>62,076</u>	<u>47,676</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>274,141</u>	<u>223,533</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.84% (2008 - 19.84%)	<u>57,131</u>	<u>44,349</u>
	Effects of:		
	Non deductible expenses	1,065	729
	Depreciation add back	10,220	9,619
	Capital allowances	(6,340)	(6,565)
	Adjustments to previous periods	-	(456)
		<u>4,945</u>	<u>3,327</u>
	<b>Current tax charge</b>	<u>62,076</u>	<u>47,676</u>

# A J MARSHALL (SPECIAL STEELS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2009

### 6 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 February 2008	25,447	69,890	45,351	102,800	243,488
Additions	-	124	1,094	51,718	52,936
Disposals	-	(880)	(1,332)	(17,885)	(20,097)
At 31 January 2009	25,447	69,134	45,113	136,633	276,327
<b>Depreciation</b>					
At 1 February 2008	12,530	64,259	37,361	54,528	168,678
On disposals	-	(880)	(1,332)	(17,885)	(20,097)
Charge for the year	2,545	5,329	7,006	34,158	49,038
At 31 January 2009	15,075	68,708	43,035	70,801	197,619
<b>Net book value</b>					
At 31 January 2009	10,372	426	2,078	65,832	78,708
At 31 January 2008	12,917	5,632	7,990	48,271	74,810

### 7 Stocks

	2009 £	2008 £
Finished goods and goods for resale	4,816,685	3,261,428

### 8 Debtors

	2009 £	2008 £
Trade debtors	804,371	1,586,559
Corporation tax	100	-
Other debtors	1,000	-
Prepayments and accrued income	11,983	11,725
	817,454	1,598,284

# A J MARSHALL (SPECIAL STEELS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2009

9	Creditors: amounts falling due within one year	2009 £	2008 £
	Trade creditors	1,073,768	757,813
	Corporation tax	62,076	48,032
	Other taxes and social security costs	81,792	192,262
	Directors' current accounts	1,194,130	773,056
	Other creditors	-	2,059
	Accruals and deferred income	23,904	478,148
		<u>2,435,670</u>	<u>2,251,370</u>

Bank facilities are secured by a debenture pledged by A J Marshall (Special Steels) Limited.

10	Creditors: amounts falling due after more than one year	2009 £	2008 £
	Other loans	<u>1,686,823</u>	<u>1,685,000</u>
	<b>Analysis of loans</b>		
	Wholly repayable within five years	<u>1,686,823</u>	<u>1,685,000</u>
		<u>1,686,823</u>	<u>1,685,000</u>
	<b>Loan maturity analysis</b>		
	In more than one year but not more than two years	<u>1,686,823</u>	<u>1,685,000</u>

11	Pension and other post-retirement benefit commitments		
	Defined contribution		
		2009 £	2008 £
	Contributions payable by the company for the year	<u>100,000</u>	<u>100,000</u>

# A J MARSHALL (SPECIAL STEELS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2009

12 Share capital	2009 £	2008 £
<b>Authorised</b>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid</b>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

13 Statement of movements on profit and loss account	Profit and loss account £
Balance at 1 February 2008	1,807,495
Profit for the year	<u>212,065</u>
Balance at 31 January 2009	<u>2,019,560</u>

14 Reconciliation of movements in shareholders' funds	2009 £	2008 £
Profit for the financial year	212,065	175,857
Opening shareholders' funds	<u>1,907,495</u>	<u>1,731,638</u>
Closing shareholders' funds	<u>2,119,560</u>	<u>1,907,495</u>

### 15 Financial commitments

At 31 January 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 January 2010:

	Land and buildings	
	2009 £	2008 £
Operating leases which expire:		
Between two and five years	<u>62,250</u>	<u>61,500</u>



# A J MARSHALL (SPECIAL STEELS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2009

<b>16 Capital commitments</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>

At 31 January 2009 the company had capital commitments as follows:

Contracted for but not provided in the financial statements	14,000	-
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<b>17 Directors' emoluments</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>

Emoluments for qualifying services	140,004	544,884
Company pension contributions to money purchase schemes	100,000	100,000
	240,004	644,884

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2008 - 1).

### 18 Employees

#### Number of employees

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

	<b>2009</b>	<b>2008</b>
	<b>Number</b>	<b>Number</b>
Administration	9	9
Warehouse	2	3
	11	12

<b>Employment costs</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>

Wages and salaries	566,357	943,414
Social security costs	69,901	119,159
Other pension costs	100,000	100,000
	736,258	1,162,573