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REGISTERED NUMBER: 01524815 (England and Wales)

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2009
FOR
TRATOS LIMITED**

THURSDAY



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TRATOS LIMITED (REGISTERED NUMBER: 01524815)

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for the year ended 31st December 2009**

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TRATOS LIMITED
COMPANY INFORMATION
for the year ended 31st December 2009

DIRECTORS:

Mr A Bragagn
Mr J S Light
Mr M Bragagn
Mr N Ancell

SECRETARY:

Mr D J Whitaker

REGISTERED OFFICE:

Unit 1
Park Road
Holmewood Industrial Estate
Chesterfield
Derbyshire
S42 5UW

REGISTERED NUMBER:

01524815 (England and Wales)

AUDITORS:

Hewitt Card Limited
Chartered Certified Accountants
Registered Auditors
70-72 Nottingham Road
Mansfield
Nottinghamshire
NG18 1BN

TRATOS LIMITED

REPORT OF THE DIRECTORS for the year ended 31st December 2009

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2009

PRINCIPAL ACTIVITIES

The principal activities of the group in the year under review were those of the manufacture and distribution of electrical cables, crane, electrical and ancillary equipment. The group also installs electrical wiring systems.

REVIEW OF BUSINESS

The level of activity and financial position at the year end were considered satisfactory.

The key performance indicators for the group show -

	2009	2008
Turnover	£17.1m	£11.7m
Gross profit percentage	18.80%	16.85%
Net profit/(loss)	£232k	£(0.2)k
Shareholders funds	£948k	£714k

The key business risks and uncertainties are challenges from competitors and retention of key employees.

The commercial environment is expected to be challenging for the year ahead, but the directors are confident that the present level of activity can be maintained.

DIVIDENDS

No dividends will be distributed for the year ended 31st December 2009.

DIRECTORS

The directors during the year under review were

Mr A Bragagnì
Mr J S Light
Mr M Bragagnì
Mr N Ancell

- appointed 1.4.09

The beneficial interests of the directors holding office on 31st December 2009 in the issued share capital of the company were as follows:

	31.12.09	1.1.09 or date of appointment if later
Ordinary £1 shares		
Mr A Bragagnì	10	10
Mr J S Light	32	32
Mr M Bragagnì	8	8
Mr N Ancell	-	-

The remaining 50 shares are held by Tratos Cavi Spa, the company's parent company which is registered in Italy.

TRATOS LIMITED

REPORT OF THE DIRECTORS for the year ended 31st December 2009

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.

AUDITORS

The auditors, Hewitt Card Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr D J Whitaker - Secretary

Date 8TH JUNE 2010

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TRATOS LIMITED

We have audited the financial statements of Tratos Limited for the year ended 31st December 2009 on pages six to thirty three. 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 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.

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 31st December 2009 and of the group's profit for the year then ended,
- the group financial statements 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

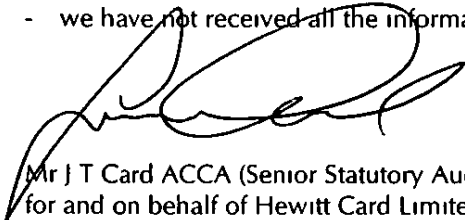
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TRATOS 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 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



Mr J T Card ACCA (Senior Statutory Auditor)
for and on behalf of Hewitt Card Limited

Chartered Certified Accountants
Registered Auditors
70-72 Nottingham Road
Mansfield
Nottinghamshire
NG18 1BN

Date 8/6/10

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31st December 2009

	Notes	2009 £	2008 £
TURNOVER		17,182,565	11,707,721
Continuing operations		13,997,032	9,513,581
Acquisitions		-	2,194,140
		<u>13,997,032</u>	<u>11,707,721</u>
Discontinued operations		<u>3,185,533</u>	-
Cost of sales	2	<u>13,951,959</u>	<u>9,711,530</u>
GROSS PROFIT	2	3,230,606	1,996,191
Net operating expenses	2	<u>2,828,493</u>	<u>1,800,142</u>
OPERATING PROFIT	4	402,113	196,049
Continuing operations		430,804	288,209
Acquisitions		-	(92,160)
		<u>430,804</u>	<u>196,049</u>
Discontinued operations		<u>(28,691)</u>	-
Interest receivable and similar income		<u>6</u>	<u>1,333</u>
		<u>402,119</u>	<u>197,382</u>
Interest payable and similar charges	5	<u>92,215</u>	<u>161,986</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		309,904	35,396
Tax on profit on ordinary activities	6	<u>77,082</u>	<u>35,673</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		<u>232,822</u>	<u>(277)</u>

The notes form part of these financial statements

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31st December 2009

	2009	2008
	£	£
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	232,822	(277)
Revaluation	-	(190,000)
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	<u>232,822</u>	<u>(190,277)</u>

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

CONSOLIDATED BALANCE SHEET
31st December 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Intangible assets	9	(57,701)	(99,598)
Tangible assets	10	2,498,537	2,614,143
Investments	11	-	-
		<u>2,440,836</u>	<u>2,514,545</u>
CURRENT ASSETS			
Stocks	12	4,798,302	4,463,600
Debtors	13	4,383,485	3,153,564
Cash at bank and in hand		73,484	47,813
		<u>9,255,271</u>	<u>7,664,977</u>
CREDITORS			
Amounts falling due within one year	14	<u>9,407,262</u>	<u>8,694,846</u>
NET CURRENT LIABILITIES		<u>(151,991)</u>	<u>(1,029,869)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,288,845</u>	<u>1,484,676</u>
CREDITORS			
Amounts falling due after more than one year	15	(1,322,259)	(753,031)
PROVISIONS FOR LIABILITIES	19	<u>(18,984)</u>	<u>(16,865)</u>
NET ASSETS		<u><u>947,602</u></u>	<u><u>714,780</u></u>
CAPITAL AND RESERVES			
Called up share capital	20	100	100
Revaluation reserve	21	417,972	229,397
Profit and loss account	21	529,530	485,283
SHAREHOLDERS' FUNDS	24	<u><u>947,602</u></u>	<u><u>714,780</u></u>

The financial statements were approved by the Board of Directors on behalf by

8TH JUNE 2010 and were signed on its

J S Light - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
31st December 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	2,432,554	1,607,155
Investments	11	76	501,076
		<u>2,432,630</u>	<u>2,108,231</u>
CURRENT ASSETS			
Stocks	12	4,328,107	3,178,349
Debtors	13	4,983,965	1,740,073
Cash at bank and in hand		15,867	24,657
		<u>9,327,939</u>	<u>4,943,079</u>
CREDITORS			
Amounts falling due within one year	14	9,007,067	5,138,774
NET CURRENT ASSETS/(LIABILITIES)		<u>320,872</u>	<u>(195,695)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,753,502</u>	<u>1,912,536</u>
CREDITORS			
Amounts falling due after more than one year	15	(1,322,259)	(753,031)
PROVISIONS FOR LIABILITIES	19	(15,675)	(15,675)
NET ASSETS		<u>1,415,568</u>	<u>1,143,830</u>
CAPITAL AND RESERVES			
Called up share capital	20	100	100
Revaluation reserve	21	417,972	421,615
Profit and loss account	21	997,496	722,115
SHAREHOLDERS' FUNDS	24	<u>1,415,568</u>	<u>1,143,830</u>

The financial statements were approved by the Board of Directors on behalf by

8TH JUNE 2010 and were signed on its

Mr J S Light - Director

The notes form part of these financial statements

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31st December 2009

	Notes	2009 £	2008 £
Net cash inflow/(outflow) from operating activities	1	29,905	(519,908)
Returns on investments and servicing of finance	2	(92,209)	(160,653)
Taxation		(75,144)	(119,149)
Capital expenditure	2	(40,319)	(1,655,814)
		<u>(177,767)</u>	<u>(2,455,524)</u>
Financing	2	802,539	529,157
Increase/(Decrease) in cash in the period		<u>624,772</u>	<u>(1,926,367)</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase/(Decrease) in cash in the period		624,772	(1,926,367)
Cash inflow from increase in debt and lease financing		<u>(802,539)</u>	<u>(529,064)</u>
Change in net debt resulting from cash flows		(177,767)	(2,455,431)
New finance leases		-	(134,199)
Movement in net debt in the period		<u>(177,767)</u>	<u>(2,589,630)</u>
Net debt at 1st January		<u>(3,179,827)</u>	<u>(590,197)</u>
Net debt at 31st December		<u>(3,357,594)</u>	<u>(3,179,827)</u>

The notes form part of these financial statements

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31st December 2009**

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

Year ended 31st December 2009

	Continuing £	Discontinued £	Total £
Operating profit	430,804	(28,691)	402,113
Depreciation charges	110,476	11,439	121,915
Profit on disposal of fixed assets	(7,887)	-	(7,887)
Increase in stocks	(334,702)	-	(334,702)
Increase in debtors	(1,229,921)	-	(1,229,921)
Increase in creditors	1,078,387	-	1,078,387
Net cash inflow from continuing operating activities	47,157		
Net cash outflow from discontinued operating activities		(17,252)	
Net cash inflow from operating activities			29,905

Year ended 31st December 2008

	Continuing £	Discontinued £	Total £
Operating profit	196,049	-	196,049
Depreciation charges	85,951	-	85,951
Loss on disposal of fixed assets	624	-	624
Increase in stocks	(1,128,832)	-	(1,128,832)
Increase in debtors	(1,932,830)	-	(1,932,830)
Increase in creditors	2,259,130	-	2,259,130
Net cash outflow from continuing operating activities	(519,908)		
Net cash inflow from discontinued operating activities		-	
Net cash outflow from operating activities			(519,908)

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

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest received	6	1,333
Interest paid	(85,416)	(153,681)
Interest element of hire purchase payments	(6,799)	(8,305)
Net cash outflow for returns on investments and servicing of finance	(92,209)	(160,653)

The notes form part of these financial statements

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31st December 2009

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

	2009 £	2008 £
Capital expenditure		
Purchase of intangible fixed assets	-	107,937
Purchase of tangible fixed assets	(69,629)	(1,790,417)
Sale of tangible fixed assets	29,310	26,666
Net cash outflow for capital expenditure	<u>(40,319)</u>	<u>(1,655,814)</u>
Financing		
New loans in year	1,555,000	600,000
Loan repayments in year	(718,356)	(49,204)
Capital repayments in year	(34,105)	(21,639)
Net cash inflow from financing	<u>802,539</u>	<u>529,157</u>

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 1 09 £	Cash flow £	At 31 12 09 £
Net cash			
Cash at bank and in hand	47,813	25,671	73,484
Bank overdrafts	(2,472,565)	599,101	(1,873,464)
	<u>(2,424,752)</u>	<u>624,772</u>	<u>(1,799,980)</u>
Debt			
Hire purchase	(121,861)	34,105	(87,756)
Debts falling due within one year	(100,573)	(105,739)	(206,312)
Debts falling due after one year	(532,641)	(730,905)	(1,263,546)
	<u>(755,075)</u>	<u>(802,539)</u>	<u>(1,557,614)</u>
Total	<u>(3,179,827)</u>	<u>(177,767)</u>	<u>(3,357,594)</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31st December 2009

1 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

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2007, is being amortised evenly over its estimated useful life of five years

Positive goodwill is in respect of the groups subsidiary company, Modular Wiring Systems Limited. It represents the goodwill on acquisition of a trade and is being amortised over its expected useful life of 5 years

Negative goodwill is in respect of the acquisition of the group North West Cables Limited and is being written off to the Profit & Loss account in the periods expected to benefit from the associated assets, that is, in line with the depreciation charge on the acquired plant

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 cost/valuation
Long leasehold	- Straight line over 99 years
Plant and machinery	- 33.3% straight line, 20% on reducing balance, 20% on cost, 10% on reducing balance and Straight line over 3 years
Fixtures and fittings	- 20% on cost and 10% on reducing balance
Motor vehicles	- 50% on cost, 25% on reducing balance and Straight line over 3 years

Stocks

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads

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

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

1 ACCOUNTING POLICIES - continued

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 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.

2 ANALYSIS OF OPERATIONS

	Continuing £	2009 Discontinued £	Total £
Cost of sales	<u>11,252,220</u>	<u>2,699,739</u>	<u>13,951,959</u>
Gross profit	<u>2,744,812</u>	<u>485,794</u>	<u>3,230,606</u>
Net operating expenses			
Administrative expenses	2,372,204	514,485	2,886,689
Other operating income	(58,196)	-	(58,196)
	<u>2,314,008</u>	<u>514,485</u>	<u>2,828,493</u>
	Continuing £	2008 Discontinued £	Total £
Cost of sales	<u>9,711,530</u>	<u>-</u>	<u>9,711,530</u>
Gross profit	<u>1,996,191</u>	<u>-</u>	<u>1,996,191</u>
Net operating expenses			
Administrative expenses	1,826,903	-	1,826,903
Other operating income	(26,761)	-	(26,761)
	<u>1,800,142</u>	<u>-</u>	<u>1,800,142</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

2 ANALYSIS OF OPERATIONS - continued

The total figures for continuing operations include the following amounts relating to acquisitions

	2009 £	2008 £
Cost of sales	-	1,763,987
Gross profit	-	430,153
Net operating expenses		
Administrative expenses	-	522,313

3 STAFF COSTS

	2009 £	2008 £
Wages and salaries	2,174,965	1,240,903
Social security costs	170,162	82,564
Other pension costs	61,270	47,367
	2,406,397	1,370,834

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

2009	2008
86	76

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009**

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2009	2008
	£	£
Depreciation - owned assets	130,053	87,071
Depreciation - assets on hire purchase contracts	33,758	7,220
(Profit)/Loss on disposal of fixed assets	(7,887)	624
Goodwill amortisation	40,419	15,173
Goodwill amortisation	(82,316)	(23,512)
Auditors' remuneration	11,590	9,725
Auditors remuneration other services	11,397	13,190
	<u>213,660</u>	<u>183,235</u>
Directors' remuneration	213,660	183,235
Directors' pension contributions to money purchase schemes	36,065	22,731
	<u>36,065</u>	<u>22,731</u>

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

	2009	2008
	£	£
Money purchase schemes	4	4
	<u>4</u>	<u>4</u>

Information regarding the highest paid director for the year ended 31st December 2009 is as follows

	2009
	£
Emoluments etc	110,457
Pension contributions to money purchase schemes	25,307
	<u>110,457</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Bank interest	4,496	26,250
Bank loan interest	28,094	14,434
Interest on parent company debt	30,251	48,166
Invoice discounting interest	22,575	64,831
Hire purchase	6,799	8,305
	<u>92,215</u>	<u>161,986</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

6 TAXATION

Analysis of the tax charge

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

	2009 £	2008 £
Current tax		
UK corporation tax	30,080	30,261
Overprovision in respect of earlier years	44,883	(10)
Total current tax	<u>74,963</u>	<u>30,251</u>
Deferred tax		
Origination and reversal of timing differences	2,119	1,233
Effect of increased/(decreased) tax rate on opening liability	-	4,189
Total deferred tax	<u>2,119</u>	<u>5,422</u>
Tax on profit on ordinary activities	<u>77,082</u>	<u>35,673</u>

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

	2009 £	2008 £
Profit on ordinary activities before tax	<u>309,904</u>	<u>35,396</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 31.892% (2008 - 27.690%)	98,835	9,801
Effects of		
Expenditure not allowable for taxation purposes	153,579	25,088
Depreciation in excess of capital allowances	(16,400)	(4,330)
corporation tax		
Utilisation of tax losses/loss relief	(17,662)	-
Marginal relief	(1,685)	-
Adjustment in respect of earlier years	44,883	(10)
Income not allowable for taxation purposes	(186,587)	(298)
Current tax charge	<u>74,963</u>	<u>30,251</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

7 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 £271,738 (2008 - £314,148)

8 DEFINED CONTRIBUTION PENSION SCHEME

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.

The total cost of contributions in the year is £58,346 (2008 £47,367). No contributions were outstanding at 31st December 2009 (2008 nil).

9 INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Goodwill £	Totals £
COST			
At 1st January 2009			
and 31st December 2009	126,325	(234,262)	(107,937)
AMORTISATION			
At 1st January 2009	15,173	(23,512)	(8,339)
Amortisation for year	40,419	(82,316)	(41,897)
At 31st December 2009	55,592	(105,828)	(50,236)
NET BOOK VALUE			
At 31st December 2009	70,733	(128,434)	(57,701)
At 31st December 2008	111,152	(210,750)	(99,598)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

10 TANGIBLE FIXED ASSETS

Group

	Freehold property £	Long leasehold £	Plant and machinery £
COST OR VALUATION			
At 1st January 2009	850,000	931,296	1,019,990
Additions	-	10,925	5,679
At 31st December 2009	850,000	942,221	1,025,669
DEPRECIATION			
At 1st January 2009	18,360	3,165	299,817
Charge for year	12,240	9,495	109,992
Eliminated on disposal	-	-	-
At 31st December 2009	30,600	12,660	409,809
NET BOOK VALUE			
At 31st December 2009	819,400	929,561	615,860
At 31st December 2008	831,640	928,131	720,173
	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1st January 2009	188,985	97,037	3,087,308
Additions	-	53,024	69,628
Disposals	-	(48,230)	(48,230)
At 31st December 2009	188,985	101,831	3,108,706
DEPRECIATION			
At 1st January 2009	128,491	23,332	473,165
Charge for year	6,050	26,034	163,811
Eliminated on disposal	-	(26,807)	(26,807)
At 31st December 2009	134,541	22,559	610,169
NET BOOK VALUE			
At 31st December 2009	54,444	79,272	2,498,537
At 31st December 2008	60,494	73,705	2,614,143

Included in cost or valuation of land and buildings is freehold land of £238,000 (2008 - £238,000) which is not depreciated

TRATOS LIMITED (REGISTERED NUMBER 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

10 TANGIBLE FIXED ASSETS - continued

Group

Cost or valuation at 31st December 2009 is represented by

	Freehold property £	Long leasehold £	Plant and machinery £
Valuation in 2002	182,166	-	-
Valuation in 2007	262,722	-	-
Cost	405,112	942,221	1,025,669
	<u>850,000</u>	<u>942,221</u>	<u>1,025,669</u>
	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2002	-	-	182,166
Valuation in 2007	-	-	262,722
Cost	188,985	101,831	2,663,818
	<u>188,985</u>	<u>101,831</u>	<u>3,108,706</u>

Freehold land and buildings

The valuation on 10th July 2007 was prepared by Allied Surveyors on a freehold vacant possession basis, in accordance with RICS guidelines, as incorporated within the Valuation Standards

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

10 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 1st January 2009	139,843	25,149	164,992
Disposals	-	(14,495)	(14,495)
At 31st December 2009	139,843	10,654	150,497
DEPRECIATION			
At 1st January 2009	-	11,796	11,796
Charge for year	27,969	5,789	33,758
Eliminated on disposal	-	(6,931)	(6,931)
At 31st December 2009	27,969	10,654	38,623
NET BOOK VALUE			
At 31st December 2009	111,874	-	111,874
At 31st December 2008	139,843	13,353	153,196

Company

	Freehold property £	Long leasehold £	Plant and machinery £
COST OR VALUATION			
At 1st January 2009	850,000	-	912,509
Additions	-	934,309	5,679
At 31st December 2009	850,000	934,309	918,188
DEPRECIATION			
At 1st January 2009	18,360	-	236,371
Charge for year	12,240	4,748	100,573
Eliminated on disposal	-	-	-
At 31st December 2009	30,600	4,748	336,944
NET BOOK VALUE			
At 31st December 2009	819,400	929,561	581,244
At 31st December 2008	831,640	-	676,138

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

10 TANGIBLE FIXED ASSETS - continued

Company

	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1st January 2009	178,416	65,445	2,006,370
Additions	-	38,222	978,210
Disposals	-	(33,129)	(33,129)
	<hr/>	<hr/>	<hr/>
At 31st December 2009	178,416	70,538	2,951,451
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1st January 2009	126,515	17,966	399,212
Charge for year	5,193	13,010	135,764
Eliminated on disposal	-	(16,079)	(16,079)
	<hr/>	<hr/>	<hr/>
At 31st December 2009	131,708	14,897	518,897
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31st December 2009	46,708	55,641	2,432,554
	<hr/>	<hr/>	<hr/>
At 31st December 2008	51,901	47,479	1,607,158
	<hr/>	<hr/>	<hr/>

Included in cost or valuation of land and buildings is freehold land of £238,000 (2008 - £238,000) which is not depreciated

If freehold land and buildings had not been revalued it would have been included at the following historical cost

	2009 £	2008 £
Cost	<u><u>405,112</u></u>	<u><u>405,112</u></u>

The valuation on 10th July 2007 was prepared by Allied Surveyors on a freehold vacant possession basis, in accordance with RICS guidelines, as incorporated within the Valuation Standards

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009**

10 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 1st January 2009	139,843	14,495	154,338
Disposals	-	(14,495)	(14,495)
	<hr/>	<hr/>	<hr/>
At 31st December 2009	139,843	-	139,843
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1st January 2009	-	8,518	8,518
Charge for year	27,969	872	28,841
Eliminated on disposal	-	(9,390)	(9,390)
	<hr/>	<hr/>	<hr/>
At 31st December 2009	27,969	-	27,969
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31st December 2009	111,874	-	111,874
	<hr/>	<hr/>	<hr/>
At 31st December 2008	139,843	5,977	145,820
	<hr/>	<hr/>	<hr/>

11 FIXED ASSET INVESTMENTS

Company

	Unlisted investments £
COST	
At 1st January 2009	501,076
Impairments	(501,000)
	<hr/>
At 31st December 2009	76
	<hr/>
NET BOOK VALUE	
At 31st December 2009	76
	<hr/>
At 31st December 2008	501,076
	<hr/>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

11 FIXED ASSET INVESTMENTS - continued

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

Subsidiaries

Hamilton Cables (East Anglia) Ltd

Nature of business dormant

	%
Class of shares	holding
Ordinary	100 00

The subsidiary has a nil balance sheet value for the years ended 31st December 2008 and 2007

Hamilton Cables Limited

Nature of business dormant

	%
Class of shares	holding
Ordinary	100 00

The subsidiary has a nil balance sheet value for the years ended 31st December 2008 and 2007

Hamilton Pow-R-Safe Ltd

Nature of business distribution of crane & ancillary equipment

	%
Class of shares	holding
Ordinary	100 00

	2009	2008
	£	£
Aggregate capital and reserves	83,084	80,168
Profit for the year	<u>32,916</u>	<u>89,727</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

11 FIXED ASSET INVESTMENTS - continued

North West Cables Limited

Country of incorporation England

Nature of business Manufacture of insulated electrical cable

	%		
Class of shares	holding		
Ordinary	100 00	30 6 09	31 12 08
		£	£
Aggregate capital and reserves		128,200	784,010
Loss for the period		<u>(28,691)</u>	<u>(42,992)</u>

The company was acquired on 1st September 2008. Subsequent to acquisition, the trade and net assets of North West Cables Limited have been transferred to the company at 30th June 2009. The consideration for the net assets acquired on the transfers were satisfied by inter company loans. Following the transfer of the trade and net assets, the company subject to hive up became dormant.

The cost of the company's investment in the company acquired, reflected the underlying fair value of the net assets at the time of the acquisition. As a result of the subsequent hive up, the value of the company's investment in the subsidiary undertaking transferred, fell below the amount at which it was stated in the company's accounting records. The Companies Act 2006 requires that the investment be written off accordingly and that the amount be charged to the company's profit & loss account, therefore the amount shown as the investment in the subsidiary company transferred, has been written off to the profit & loss account as an impairment of the investment.

Modular Wiring Systems Limited

Country of incorporation England

Nature of business Installation and electrical wiring systems

	%		
Class of shares	holding		
Ordinary	100 00	2009	2008
		£	£
Aggregate capital and reserves		(531,118)	(541,375)
Profit/(Loss) for the year		<u>10,257</u>	<u>(561,406)</u>

The company was acquired on 1st September 2008.

Since the acquisition of North West Cables Limited and Modular Wiring Limited, there has been a significant change and reorganisation of Modular Wiring Systems Limited. In addition there has been an increase in the company's order book through the winning of various contracts and the directors are now confident that in the coming years it will meet its forecasts and targets which demonstrate the company's ability to repay the intercompany debt to Tratos Limited. In view of these considerations the directors are of the opinion that no provision is needed against the intercompany debt despite the deficit of assets on the balance sheet of Modular Wiring Systems Limited.

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

12 STOCKS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Stock of finished goods	4,284,416	3,458,921	4,059,105	3,178,349
Raw materials	244,884	846,176	-	-
Work-in-progress	269,002	158,503	269,002	-
	<u>4,798,302</u>	<u>4,463,600</u>	<u>4,328,107</u>	<u>3,178,349</u>

13 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	4,073,070	3,050,654	3,268,513	1,424,164
Other debtors	31,939	8,273	31,721	8,263
Amounts owed by group undertakings	59,460	-	1,475,985	277,820
Prepayments and accrued income	219,016	94,637	207,746	29,826
	<u>4,383,485</u>	<u>3,153,564</u>	<u>4,983,965</u>	<u>1,740,073</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Bank loans and overdrafts (see note 16)	2,079,776	2,573,138	1,631,732	579,427
Hire purchase contracts (see note 17)	29,043	35,471	29,043	29,408
Trade creditors	688,482	1,130,202	644,739	457,629
Tax	30,080	30,261	23,835	-
Social security and other taxes	51,629	62,912	41,452	16,116
VAT	540,877	380,645	515,253	216,583
Other creditors	134,000	165,643	134,000	167,000
Amounts owed to group undertakings	5,702,012	4,056,769	5,873,588	3,553,696
Accrued expenses	151,363	259,805	113,425	118,915
	<u>9,407,262</u>	<u>8,694,846</u>	<u>9,007,067</u>	<u>5,138,774</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Bank loans (see note 16)	1,263,546	532,641	1,263,546	532,641
Hire purchase contracts (see note 17)	58,713	86,390	58,713	86,390
Other creditors	-	134,000	-	134,000
	<u>1,322,259</u>	<u>753,031</u>	<u>1,322,259</u>	<u>753,031</u>

16 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Amounts falling due within one year or on demand				
Bank overdrafts	1,873,464	2,472,565	1,425,420	478,854
Bank loans	<u>206,312</u>	<u>100,573</u>	<u>206,312</u>	<u>100,573</u>
	<u>2,079,776</u>	<u>2,573,138</u>	<u>1,631,732</u>	<u>579,427</u>
Amounts falling due between one and two years				
Bank loans	<u>211,563</u>	<u>63,908</u>	<u>211,563</u>	<u>63,908</u>
Amounts falling due between two and five years				
Bank loans - 2-5 years	<u>789,245</u>	<u>181,445</u>	<u>789,245</u>	<u>181,445</u>
Amounts falling due in more than five years				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>262,738</u>	<u>287,288</u>	<u>262,738</u>	<u>287,288</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

17 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2009 £	2008 £
Gross obligations repayable		
Within one year	34,543	41,618
Between one and five years	70,166	104,202
	<u>104,709</u>	<u>145,820</u>
Finance charges repayable		
Within one year	5,500	6,147
Between one and five years	11,453	17,812
	<u>16,953</u>	<u>23,959</u>
Net obligations repayable		
Within one year	29,043	35,471
Between one and five years	58,713	86,390
	<u>87,756</u>	<u>121,861</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

17 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

Company

	Hire purchase contracts	
	2009 £	2008 £
Gross obligations repayable		
Within one year	34,543	34,975
Between one and five years	70,166	104,202
	<u>104,709</u>	<u>139,177</u>
Finance charges repayable		
Within one year	5,500	5,567
Between one and five years	11,453	17,812
	<u>16,953</u>	<u>23,379</u>
Net obligations repayable		
Within one year	29,043	29,408
Between one and five years	58,713	86,390
	<u>87,756</u>	<u>115,798</u>

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

Group

	Land and buildings		Other operating leases	
	2009 £	2008 £	2009 £	2008 £
Expiring				
Within one year	-	-	12,824	8,133
Between one and five years	-	-	35,217	29,521
In more than five years	29,100	29,100	-	-
	<u>29,100</u>	<u>29,100</u>	<u>48,041</u>	<u>37,654</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

17 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

Company

	Land and buildings		Other operating leases	
	2009	2008	2009	2008
	£	£	£	£
Expiring				
Within one year	-	-	12,824	4,299
Between one and five years	-	-	35,217	11,146
In more than five years	29,100	-	-	-
	<u>29,100</u>	<u>-</u>	<u>48,041</u>	<u>15,445</u>

18 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Bank overdrafts	1,873,464	2,472,565	1,425,420	478,854
Bank loans	1,469,858	633,214	1,469,858	633,214
Hire purchase contracts	87,756	121,861	87,756	115,798
	<u>3,431,078</u>	<u>3,227,640</u>	<u>2,983,034</u>	<u>1,227,866</u>

There is a charge over the company's land and buildings

A cross guarantee and debenture between Tratos and its fellow group companies also exists

Bank overdrafts are secured by means of a fixed and floating charge. The fixed charge is over all fixed assets plus present and future book and other debts. The floating charge is over all movable and intangible assets of the company.

19 PROVISIONS FOR LIABILITIES

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>18,984</u>	<u>16,865</u>	<u>15,675</u>	<u>15,675</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

19 PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1st January 2009	16,865
Accelerated capital allowances	2,119
	<u>18,984</u>
Balance at 31st December 2009	<u>18,984</u>

Company

	Deferred tax £
Balance at 1st January 2009	15,675
Balance at 31st December 2009	<u>15,675</u>

20 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2009 £	2008 £
100	Ordinary		<u>100</u>	<u>100</u>

21 RESERVES

Group

	Profit and loss account £	Revaluation reserve £	Totals £
At 1st January 2009	485,283	229,397	714,680
Profit for the year	232,822		232,822
Transfer	(188,575)	188,575	-
At 31st December 2009	<u>529,530</u>	<u>417,972</u>	<u>947,502</u>

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

21 RESERVES - continued

Company

	Profit and loss account £	Revaluation reserve £	Totals £
At 1st January 2009	722,115	421,615	1,143,730
Profit for the year	271,738		271,738
Transfer	3,643	(3,643)	-
At 31st December 2009	<u>997,496</u>	<u>417,972</u>	<u>1,415,468</u>

22 ULTIMATE PARENT COMPANY

The ultimate parent company is Alma Srl, a company registered in Italy

23 RELATED PARTY DISCLOSURES

The group traded with Tratos Cavi the group's parent company and it's ultimate parent company Alma Srl. The trade between the companies, which was on a normal commercial basis consisted of the supply of goods and services. The amounts involved during the year were:

		2009 £	2008 £
Tratos Cavi	purchases	8,867,424	4,892,907
Alma Srl	sales	<u>102,836</u>	<u>-</u>

The amounts (due)/from group companies at 31st December are:

	2009 £	2008 £
Tratos Cavi	(5,745,388)	(4,056,768)
Alma Srl	<u>102,836</u>	<u>-</u>

The ultimate controlling party is Mr A Bragagni, a shareholding director of the company who also holds a controlling interest in the ultimate parent company Alma Srl.

TRATOS LIMITED (REGISTERED NUMBER: 01524815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31st December 2009

24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2009 £	2008 £
Profit/(Loss) for the financial year	232,822	(277)
Other recognised gains and losses relating to the year (net)	-	(190,000)
Net addition/(reduction) to shareholders' funds	232,822	(190,277)
Opening shareholders' funds	714,780	905,057
Closing shareholders' funds	947,602	714,780

Company

	2009 £	2008 £
Profit for the financial year	271,738	314,148
Net addition to shareholders' funds	271,738	314,148
Opening shareholders' funds	1,143,830	829,682
Closing shareholders' funds	1,415,568	1,143,830

