

Company Registration No. 01651205 (England and Wales)

**SOUTHWARK METALS LIMITED**  
**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

# **SOUTHWARK METALS LIMITED**

## **COMPANY INFORMATION**

---

<b>Director</b>	T W Pratt
<b>Secretary</b>	N Pratt
<b>Company number</b>	01651205
<b>Registered office</b>	1 Ruby Triangle Peckham London SE15 1LG
<b>Auditors</b>	Myers Clark Egale 1 80 St Albans Road Watford Hertfordshire WD17 1DL
<b>Business address</b>	1 Ruby Triangle Peckham London SE15 1LG

---

# **SOUTHWARK METALS LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Strategic report	1
Director's report	2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8
Notes to the financial statements	9 - 18

---

# **SOUTHWARK METALS LIMITED**

## **STRATEGIC REPORT**

***FOR THE YEAR ENDED 30 SEPTEMBER 2014***

---

The director presents the strategic report and financial statements for the year ended 30 September 2014.

### **Review of the business**

The results for the year and financial position of the company are as shown in the annexed financial statements.

The year shows turnover and profits decreasing but gross profit margin increasing. Administration expenses were higher than the previous year due to one off charges. The company changed its deprecation policy from reducing balance to straight line basis, purchased and installed a new purchase and sale order processing system and celebrated 30 years of the business.

Southwark Metals Limited is extremely conscious of the customers it deals with. The director and staff take stringent measures to ensure they know the details of all of their customers and the source of the metals that are brought into their yard. The company has a close relationship with the local community and authorities, and has been given a "Green Light" by the local police with whom they work closely to monitor possible risks of illegal activities in the vicinity.

The director believes the company is well placed to manage its business risks successfully, and has a reasonable expectation that the company has adequate resources to continue to improve its operations for the foreseeable future. He is also looking forward to prosperous coming years, helped by the increasing positive relationships the company and its director has with their customers and suppliers. The director therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

On behalf of the board

T W Pratt

**Director**

6 October 2015

# **SOUTHWARK METALS LIMITED**

## **DIRECTOR'S REPORT**

***FOR THE YEAR ENDED 30 SEPTEMBER 2014***

---

The director presents his report and financial statements for the year ended 30 September 2014.

### **Results and dividends**

The results for the year are set out on page 5.

### **Director**

The following director has held office since 1 October 2013:

T W Pratt

D Pratt

(Resigned 7 October 2014)

### **Auditors**

Myers Clark were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### **Statement of director's responsibilities**

The director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

T W Pratt

**Director**

6 October 2015

# **SOUTHWARK METALS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF SOUTHWARK METALS LIMITED**

---

We have audited the financial statements of Southwark Metals Limited for the year ended 30 September 2014 set out on pages 5 to 18. 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 auditors' 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 director and auditors**

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2014 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 Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **SOUTHWARK METALS LIMITED**

### **INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF SOUTHWARK METALS 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.

**James Paul Shaw (Senior Statutory Auditor)**  
for and on behalf of Myers Clark

7 October 2015

**Chartered Accountants**  
**Statutory Auditor**

Egale 1  
80 St Albans Road  
Watford  
Hertfordshire  
WD17 1DL

## SOUTHWARK METALS LIMITED

### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	11,809,112	12,697,454
Cost of sales		(8,947,534)	(9,724,673)
<b>Gross profit</b>		<b>2,861,578</b>	<b>2,972,781</b>
Administrative expenses		(2,681,929)	(2,428,464)
Other operating income		17,644	-
<b>Operating profit</b>	<b>3</b>	<b>197,293</b>	<b>544,317</b>
Other interest receivable and similar income	4	56,611	-
Interest payable and similar charges	5	(61,124)	(53,068)
<b>Profit on ordinary activities before taxation</b>		<b>192,780</b>	<b>491,249</b>
Tax on profit on ordinary activities	6	(113,427)	(159,544)
<b>Profit for the year</b>	<b>16</b>	<b>79,353</b>	<b>331,705</b>

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.



# **SOUTHWARK METALS LIMITED**

## **BALANCE SHEET**

**AS AT 30 SEPTEMBER 2014**

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	8		1,181,769		2,340,037
<b>Current assets</b>					
Stocks	9	22,477		79,517	
Debtors	10	863,199		2,185,731	
Cash at bank and in hand		4,216,836		402,362	
		<u>5,102,512</u>		<u>2,667,610</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,777,634)</u>		<u>(1,579,022)</u>	
<b>Net current assets</b>			<u>3,324,878</u>		<u>1,088,588</u>
<b>Total assets less current liabilities</b>			<u>4,506,647</u>		<u>3,428,625</u>
<b>Creditors: amounts falling due after more than one year</b>	12		(2,008,564)		(951,716)
<b>Provisions for liabilities</b>	13		<u>(51,076)</u>		<u>(9,255)</u>
			<u>2,447,007</u>		<u>2,467,654</u>
<b>Capital and reserves</b>					
Called up share capital	15		101		101
Profit and loss account	16		<u>2,446,906</u>		<u>2,467,553</u>
<b>Shareholders' funds</b>	17		<u>2,447,007</u>		<u>2,467,654</u>

Approved by the Board and authorised for issue on 6 October 2015

T W Pratt  
**Director**

**Company Registration No. 01651205**

# **SOUTHWARK METALS LIMITED**

## **CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	£	2014 £	£	2013 £
<b>Net cash inflow/(outflow) from operating activities</b>		1,765,146		(295,816)
<b>Returns on investments and servicing of finance</b>				
Interest received	56,611		-	
Interest paid	(61,124)		(53,068)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(4,513)		(53,068)
<b>Taxation</b>		(153,886)		(150,289)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(821,244)		(420,665)	
Receipts from sales of tangible assets	1,674,750		119,833	
<b>Net cash inflow/(outflow) for capital expenditure</b>		853,506		(300,832)
<b>Equity dividends paid</b>		(100,000)		(351,000)
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		2,360,253		(1,151,005)
<b>Financing</b>				
Issue of ordinary share capital	-		1	
Other new long term loans	1,498,816		-	
Other new short term loans	331,184		-	
Repayment of long term bank loan	(700,000)		-	
Capital element of hire purchase contracts	324,221		128,303	
<b>Net cash inflow from financing</b>		1,454,221		128,304
<b>Increase/(decrease) in cash in the year</b>		3,814,474		(1,022,701)

# SOUTHWARK METALS LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2014

1 Reconciliation of operating profit to net cash inflow/(outflow) from operating activities		2014	2013
		£	£
Operating profit		197,293	544,317
Depreciation of tangible assets		396,118	178,021
(Profit)/loss on disposal of tangible assets		(91,356)	100,310
Decrease in stocks		57,040	552
Decrease/(increase) in debtors		1,322,532	(1,012,864)
Decrease in creditors within one year		(116,481)	(106,152)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>1,765,146</b>	<b>(295,816)</b>
2 Analysis of net funds/(debt)		1 October 2013	Cash flowOther non-cash changes 30 September 2014
		£	£
Net cash:			
Cash at bank and in hand	402,362	3,814,474	-
Bank deposits	-	-	-
Debt:			
Finance leases	(346,538)	(324,221)	-
Debts falling due within one year	-	(331,184)	-
Debts falling due after one year	(700,000)	(798,816)	-
	(1,046,538)	(1,454,221)	-
<b>Net (debt)/funds</b>	<b>(644,176)</b>	<b>2,360,253</b>	<b>-</b>
3 Reconciliation of net cash flow to movement in net funds/(debt)		2014	2013
		£	£
Increase/(decrease) in cash in the year		3,814,474	(1,022,701)
Cash inflow from increase in debt and lease financing		(1,454,221)	(128,303)
<b>Movement in net funds/(debt) in the year</b>		<b>2,360,253</b>	<b>(1,151,004)</b>
Opening net (debt)/funds		(644,176)	506,828
<b>Closing net funds/(debt)</b>		<b>1,716,077</b>	<b>(644,176)</b>

# **SOUTHWARK METALS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

### **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 amounts receivable for goods and services net of VAT and trade discounts.

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land 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 Freehold	Not depreciated
Plant and machinery	20% straight line basis
Fixtures, fittings & equipment	20% straight line basis
Motor vehicles	25% straight line basis

#### **1.5 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals 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.

#### **1.7 Pensions**

Pension contributions are paid to an SSAS on behalf of the directors and staff. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **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.

### **2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

# **SOUTHWARK METALS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

<b>3</b>	<b>Operating profit</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging:		
	Depreciation of tangible assets	396,118	178,021
	Loss on disposal of tangible assets	-	100,310
	Operating lease rentals	244,116	378,437
	Auditors' remuneration (including expenses and benefits in kind)	7,000	5,500
	and after crediting:		
	Profit on disposal of tangible assets	(91,356)	-
		<u><u>          </u></u>	<u><u>          </u></u>
<b>4</b>	<b>Investment income</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Other interest	56,611	-
		<u><u>          </u></u>	<u><u>          </u></u>
<b>5</b>	<b>Interest payable</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	16,092	12,216
	Hire purchase interest	27,311	15,773
	On overdue tax	285	-
	Other interest	17,436	25,079
		<u><u>          </u></u>	<u><u>          </u></u>
		61,124	53,068
		<u><u>          </u></u>	<u><u>          </u></u>

# SOUTHWARK METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2014

6	Taxation	2014 £	2013 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	68,009	150,289
	Adjustment for prior years	3,597	-
	<b>Total current tax</b>	71,606	150,289
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	41,821	9,255
		113,427	159,544
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	192,780	491,249
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 22.00% (2013 - 24.00%)	42,412	117,900
	Effects of:		
	Non deductible expenses	81,330	55,922
	Depreciation add back	87,146	42,725
	Capital allowances	(121,841)	(86,175)
	Marginal relief	(940)	(931)
	Adjustments to previous periods	3,597	-
	Chargeable disposals	(20,098)	24,074
	Other tax adjustments	-	(3,226)
		29,194	32,389
	<b>Current tax charge for the year</b>	71,606	150,289
7	<b>Dividends</b>	2014 £	2013 £
	Ordinary interim paid	90,000	351,000
	Ordinary 'B' interim paid	10,000	-
		100,000	351,000

# SOUTHWARK METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 8 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 October 2013	1,466,139	1,052,687	62,271	257,934	2,839,031
Reclassification	-	(254,930)	-	254,930	-
Additions	-	434,733	32,814	353,697	821,244
Disposals	(1,466,139)	(263,218)	-	-	(1,729,357)
At 30 September 2014	-	969,272	95,085	866,561	1,930,918
<b>Depreciation</b>					
At 1 October 2013	-	367,761	29,821	101,412	498,994
Reclassification	-	(50,672)	-	50,672	-
On disposals	-	(145,963)	-	-	(145,963)
Charge for the year	-	252,675	25,288	118,155	396,118
At 30 September 2014	-	423,801	55,109	270,239	749,149
<b>Net book value</b>					
At 30 September 2014	-	545,471	39,976	596,322	1,181,769
At 30 September 2013	1,466,139	684,926	32,450	156,522	2,340,037

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Motor vehicles £	Total £
<b>Net book values</b>			
At 30 September 2014	498,668	99,068	597,736
At 30 September 2013	395,989	123,353	519,342
<b>Depreciation charge for the year</b>			
At 30 September 2014	140,037	45,085	185,122
At 30 September 2013	69,881	41,117	110,998

The freehold land and buildings were included at historic cost.

# **SOUTHWARK METALS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

<b>9</b>	<b>Stocks</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Finished goods and goods for resale	22,477	79,517
		<u>          </u>	<u>          </u>
<b>10</b>	<b>Debtors</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Trade debtors	303,598	23,392
	Other debtors	126,155	1,777,069
	Prepayments and accrued income	433,446	385,270
		<u>          </u>	<u>          </u>
		863,199	2,185,731
		<u>          </u>	<u>          </u>
<b>11</b>	<b>Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Net obligations under hire purchase contracts	161,011	94,822
	Trade creditors	226,844	115,431
	Corporation tax	68,009	150,289
	Other taxes and social security costs	489,003	654,916
	Director's current accounts	40,941	-
	Other creditors	363,159	535,564
	Accruals and deferred income	428,667	28,000
		<u>          </u>	<u>          </u>
		1,777,634	1,579,022
		<u>          </u>	<u>          </u>
	Debt due in one year or less	331,184	-
		<u>          </u>	<u>          </u>



# SOUTHWARK METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2014

12	Creditors: amounts falling due after more than one year	2014 £	2013 £
	Bank loans	-	700,000
	Other loans	1,498,816	-
	Net obligations under hire purchase contracts	509,748	251,716
		<u>2,008,564</u>	<u>951,716</u>
	<b>Analysis of loans</b>		
	Wholly repayable within five years	1,830,000	700,000
		<u>1,830,000</u>	<u>700,000</u>
	Included in current liabilities	(331,184)	-
		<u>1,498,816</u>	<u>700,000</u>
	<b>Loan maturity analysis</b>		
	In more than one year but not more than two years	347,743	700,000
	In more than two years but not more than five years	1,151,073	-
		<u>1,498,816</u>	<u>700,000</u>
	The other loans are loans to the company from the Trustees of Lancing Pension Scheme and the Trustees of Southwark Metal Ltd Executive Pension Scheme, who have a fixed and floating charge over the assets of the business.		
	<b>Net obligations under hire purchase contracts</b>		
	Repayable within one year	161,011	94,822
	Repayable between one and five years	509,748	251,716
		<u>670,759</u>	<u>346,538</u>
	Included in liabilities falling due within one year	(161,011)	(94,822)
		<u>509,748</u>	<u>251,716</u>

# SOUTHWARK METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 October 2013	9,255
Profit and loss account	41,821
Balance at 30 September 2014	<u>51,076</u>

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>51,076</u>	<u>9,255</u>

### 14 Retirement Benefits

	2014 £	2013 £
Contributions payable by the company for the year	<u>460,000</u>	<u>621,240</u>

### 15 Share capital

	2014 £	2013 £
<b>Allotted, called up and fully paid</b>		
100 Ordinary of £1 each	100	100
1 Ordinary 'B' of £1 each	<u>1</u>	<u>1</u>
	<u>101</u>	<u>101</u>

# SOUTHWARK METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 16 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 October 2013	2,467,553
Profit for the year	79,353
Dividends paid	(100,000)
	<hr/>
Balance at 30 September 2014	2,446,906
	<hr/>

### 17 Reconciliation of movements in Shareholders' funds

	2014 £	2013 £
Profit for the financial year	79,353	331,705
Dividends	(100,000)	(351,000)
	<hr/>	<hr/>
	(20,647)	(19,295)
Proceeds from issue of shares	-	1
	<hr/>	<hr/>
Net depletion in shareholders' funds	(20,647)	(19,294)
Opening Shareholders' funds	2,467,654	2,486,948
	<hr/>	<hr/>
Closing Shareholders' funds	2,447,007	2,467,654
	<hr/>	<hr/>

### 18 Financial commitments

At 30 September 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2015:

	Land and buildings	
	2014	2013
	£	£
Operating leases which expire:		
Between two and five years	172,237	177,650

# **SOUTHWARK METALS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

<b>19 Director's remuneration</b>	<b>2014 £</b>	<b>2013 £</b>
Remuneration for qualifying services	16,869	15,120
Company pension contributions to defined contribution schemes	-	621,240
	<u>16,869</u>	<u>636,360</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2013 - 2).

Both directors were remunerated equally during the year.

## **20 Employees**

### **Number of employees**

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

	<b>2014 Number</b>	<b>2013 Number</b>
Directors	2	2
Staff	14	11
	<u>16</u>	<u>13</u>

### **Employment costs**

	<b>2014 £</b>	<b>2013 £</b>
Wages and salaries	301,995	240,742
Social security costs	23,836	20,905
Other pension costs	460,000	621,240
	<u>785,831</u>	<u>882,887</u>

## **21 Control**

For the year under consideration the company was controlled by the director T W Pratt.

## **22 Post balance sheet events**

In October 2014 the company was acquired by Southwark Platinum Limited in a share for share exchange.

## **SOUTHWARK METALS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

#### **23 Related party relationships and transactions**

##### **Loans to directors**

The following directors had interest free loans during the year. The movement on these loans are as follows:

Description	Opening Balance £	Amounts Advanced £	Amounts Repaid £	Closing Balance £
T W Pratt - Loan from director	41,597	389,597	492,135	(60,941)
	<u>41,597</u>	<u>389,597</u>	<u>492,135</u>	<u>(60,941)</u>

##### **Dividends to Directors**

The following directors were paid dividends during the year as outlined in the table below:

	2014 £	2013 £
T W Pratt	45,000	150,000
D Pratt	45,000	150,000
	<u>90,000</u>	<u>300,000</u>

Churchill Montgomery Investments Limited, a connected company owned by TW and D Pratt, owed £1,500,000 at September 2013. The loan was fully repaid during the year.

S.C.C.D Developments Limited, a connected company owned by TW and D Pratt, was owed £314,710 at 30 September 2013. The loan was fully repaid during the year.

A long term loan was obtained from the Southwark Metals Limited Executive Pension Scheme and is included within other loans. The loan is wholly repayable within 5 years with an annual interest charge of 5%. The amount owed to the Executive Pension Scheme at the year end amounted to £1,280,000. The scheme is for the benefit of the directors.

A long term loan was also obtained from the Lancing Pension Scheme and is included within other loans. The loan is wholly repayable within 5 years with an annual interest charge of 5%. The balance owed to the Pension Scheme at the year end amounted to £550,000. During the year the company also paid the pension rent amounting to £174,650 and included in other creditors is an amount owed to the Scheme of £30,854 (2013: £101,878). The scheme is for the benefit of the directors and staff, some of who are close family members of the directors.

Pension contributions of £460,000 (2013: £621,240) were made collectively to the two pension schemes mentioned above during the year for the benefit of staff, some of whom are close family members of the directors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.