

Company Registration No 1900671 (England and Wales)

TANGENT TRADING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

WEDNESDAY



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TANGENT TRADING LIMITED

COMPANY INFORMATION

Directors	J D Taylor D H Leigh Mrs N Reid
Secretary	Mrs N Reid
Company number	1900671
Registered office	Finch House 28/30 Wolverhampton Street Dudley West Midlands DY1 1DB
Auditors	Price Pearson Finch House 28-30 Wolverhampton Street Dudley West Midlands DY1 1DB
Business address	1 Dollis Mews London N3 1HH

TANGENT TRADING LIMITED

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TANGENT TRADING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2011

The directors present their report and financial statements for the year ended 30 June 2011

Principal activities and review of the business

The principal activity of the company continued to be that of trading in non-ferrous metals

There were no major changes to the company's activities during the year

The company measures business performance based upon results achieved during the year

The directors are pleased to present continued excellent results for the year ended 30 June 2011, with the company reporting the highest turnover level in its history

The directors have maximised the company's strengths in a difficult world commodity market and whilst certain opportunities that had been available in the previous years were not available during the year to 30 June 2011 the increased turnover compensated for this and the directors are pleased to report a healthy operating profit

At the balance sheet date the company had net assets of £9 66 million compared to £4 19 million at 30 June 2010

The company recognises that controlling areas of risk is a key to the success of the business

The main areas of risk are the tight control of credit as well as commodity and currency fluctuations

The company looks to limit its commodity and currency risk by hedging and maintaining detailed monitoring systems

The company actively looks to expand and carefully monitor its customer and supplier base to maintain risk at a manageable level

Results and dividends

The results for the year are set out on page 6

The directors do not propose the payment of any dividend for the year

Post balance sheet events

No significant events have taken place since the balance sheet date

Future developments

No major alterations to the company's present position are foreseen

Directors

The following directors have held office since 1 July 2010

J D Taylor

D H Leigh

Mrs N Reid

TANGENT TRADING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

Directors' interests

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

	Ordinary shares of £1 each	
	30 June 2011	1 July 2010
J D Taylor	5,388	5,388
D H Leigh	2,306	2,306
Mrs N Reid	2,306	2,306

Charitable donations	2011	2010
	£	£

During the year the company made the following payments

Haiti earthquake appeal	25,000	-
Support for youth facilities	115	25,115

Auditors

The auditors, Price Pearson, are deemed to be reappointed under section 487(2) of the Companies Act 2006

Statement of directors' responsibilities

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 judgements and accounting 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.

TANGENT TRADING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

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.

On behalf of the board



Mrs N Reid

Director

21.12.11

TANGENT TRADING LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TANGENT TRADING LIMITED

We have audited the financial statements of Tangent Trading Limited for the year ended 30 June 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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 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 directors and auditors

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

TANGENT TRADING LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF TANGENT TRADING 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



Mrs Karen Turner FCA FCCA (Senior Statutory Auditor)
for and on behalf of Price Pearson

22 December 2011

Chartered Accountants
Statutory Auditor

Finch House
28-30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

TANGENT TRADING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 £	2010 £
Turnover	2	284,783,184	246,420,908
Cost of sales		(274,487,783)	(237,642,678)
Gross profit		10,295,401	8,778,230
Administrative expenses		(2,145,283)	(7,770,848)
Operating profit	3	8,150,118	1,007,382
Other interest receivable and similar income	4	13,266	8,248
Interest payable and similar charges	5	(592,263)	(745,861)
Profit on ordinary activities before taxation		7,571,121	269,769
Tax on profit on ordinary activities	6	(2,099,344)	(62,443)
Profit for the year	13	5,471,777	207,326

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

TANGENT TRADING LIMITED

BALANCE SHEET

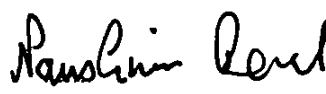
AS AT 30 JUNE 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	7		90,364		110,012
Investments	8		5,250		5,250
			<u>95,614</u>		<u>115,262</u>
Current assets					
Debtors	9	24,745,461		24,017,603	
Cash at bank and in hand		6,056,793		3,168,700	
		<u>30,802,254</u>		<u>27,186,303</u>	
Creditors: amounts falling due within one year	10	(21,236,205)		(23,111,679)	
Net current assets			<u>9,566,049</u>		<u>4,074,624</u>
Total assets less current liabilities			<u>9,661,663</u>		<u>4,189,886</u>
Capital and reserves					
Called up share capital	12		11,538		11,538
Other reserves	13		8,462		8,462
Profit and loss account	13		9,641,663		4,169,886
Shareholders' funds	14		<u>9,661,663</u>		<u>4,189,886</u>

21 DEC 2011

Approved by the Board and authorised for issue on


J D Taylor
Director


Mrs N Reid
Director

Company Registration No. 1900671

TANGENT TRADING LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	£	2011 £	£	2010 £
Net cash inflow from operating activities		3,539,463		1,208,145
Returns on investments and servicing of finance				
Interest received	13,266		8,248	
Interest paid	(592,263)		(745,861)	
Net cash outflow for returns on investments and servicing of finance		(578,997)		(737,613)
Taxation		(62,344)		(62,443)
Capital expenditure				
Payments to acquire tangible assets	(10,029)		(78,585)	
Receipts from sales of tangible assets	-		10,001	
Net cash outflow for capital expenditure		(10,029)		(68,584)
Increase in cash in the year		2,888,093		339,505

TANGENT TRADING LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

1	Reconciliation of operating profit to net cash inflow from operating activities	2011	2010
		£	£
	Operating profit	8,150,118	1,007,382
	Depreciation of tangible assets	29,677	31,295
	Profit on disposal of tangible assets	-	(1,331)
	Increase in debtors	(727,858)	(9,797,326)
	(Decrease)/Increase in creditors within one year	(3,912,474)	9,968,125
	Net cash inflow from operating activities	3,539,463	1,208,145

2	Analysis of net funds	1 July 2010	Cash flow	Other non-cash changes	30 June 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	3,168,700	2,888,093	-	6,056,793
	Net funds	3,168,700	2,888,093	-	6,056,793

3	Reconciliation of net cash flow to movement in net funds	2011	2010
		£	£
	Increase in cash in the year	2,888,093	339,505
	Movement in net funds in the year	2,888,093	339,505
	Opening net funds	3,168,700	2,829,195
	Closing net funds	6,056,793	3,168,700

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards except that the company has not complied fully with the requirements of FRS 8 - Related Party Transactions, since the directors believe that compliance with this standard could potentially be prejudicial to the company's trading position

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 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

Computer equipment	33 33% p a straight line basis
Fixtures, fittings & equipment	15% p a reducing balance basis
Motor vehicles	25% p a reducing balance basis

1.5 Leasing

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

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.7 Pensions

The company operates a defined contribution scheme for the benefit of certain of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.8 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

2 Turnover

Turnover represents the amounts derived from ordinary activities. In the opinion of the directors it would be seriously prejudicial to the interests of the company to disclose a geographical analysis of turnover

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

3	Operating profit	2011	2010
		£	£
	Operating profit is stated after charging		
	Depreciation of tangible assets	29,677	31,295
	Operating lease rentals		
	- Plant and machinery	1,430	-
	- Other assets	18,593	17,750
	Auditors' remuneration	10,000	10,000
	Remuneration of auditors for services relating to accountancy and taxation	60,375	41,200
	and after crediting		
	Profit on disposal of tangible assets	-	(1,331)
		<u> </u>	<u> </u>
4	Investment income	2011	2010
		£	£
	Bank interest	13,266	8,248
		<u> </u>	<u> </u>
		13,266	8,248
		<u> </u>	<u> </u>
5	Interest payable	2011	2010
		£	£
	On other loans wholly repayable within five years	592,263	745,861
		<u> </u>	<u> </u>

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

6	Taxation	2011 £	2010 £
	Domestic current year tax		
	U K corporation tax	2,100,000	63,000
	Adjustment for prior years	(656)	(557)
	Total current tax	<u>2,099,344</u>	<u>62,443</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>7,571,121</u>	<u>269,769</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 27.50% (2010 - 21.00%)	<u>2,082,058</u>	<u>56,651</u>
	Effects of		
	Non deductible expenses	11,448	8,073
	Depreciation add back	8,161	6,572
	Capital allowances	(5,732)	(8,673)
	Adjustments to previous periods	(656)	(557)
	Other tax adjustments	4,065	377
		<u>17,286</u>	<u>5,792</u>
	Current tax charge for the year	<u>2,099,344</u>	<u>62,443</u>

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

7 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2010	28,129	89,369	60,336	177,834
Additions	9,696	333	-	10,029
Disposals	(2,070)	-	-	(2,070)
At 30 June 2011	35,755	89,702	60,336	185,793
Depreciation				
At 1 July 2010	15,170	37,567	15,085	67,822
On disposals	(2,070)	-	-	(2,070)
Charge for the year	9,674	8,690	11,313	29,677
At 30 June 2011	22,774	46,257	26,398	95,429
Net book value				
At 30 June 2011	12,981	43,445	33,938	90,364
At 30 June 2010	12,959	51,802	45,251	110,012

8 Fixed asset investments

	Listed investments £
Cost	
At 1 July 2010 & at 30 June 2011	5,250
	Market valuation £
At 30 June 2010 and 30 June 2011	-

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

9 Debtors	2011 £	2010 £
Trade debtors	22,663,559	22,412,139
Other debtor, HMRC VAT repayment	2,081,902	1,605,464
	<u>24,745,461</u>	<u>24,017,603</u>

10 Creditors: amounts falling due within one year	2011 £	2010 £
Trade creditors	17,702,406	13,927,602
Corporation tax	2,100,000	63,000
Other taxes and social security costs	154,784	1,356,118
Directors' current accounts	167,305	946,790
Other creditors - see note 20	1,027,611	6,555,329
Accruals and deferred income	84,099	262,840
	<u>21,236,205</u>	<u>23,111,679</u>

11 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2011 £	2010 £
Contributions payable by the company for the year	-	245,000

12 Share capital	2011 £	2010 £
Authorised		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
11,538 Ordinary shares of £1 each	<u>11,538</u>	<u>11,538</u>

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

13 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2010	8,462	4,169,886
Profit for the year	-	5,471,777
Balance at 30 June 2011	<u>8,462</u>	<u>9,641,663</u>
Other reserves		
Capital redemption reserve		
Balance at 1 July 2010 & at 30 June 2011	<u>8,462</u>	

14 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	5,471,777	207,326
Opening shareholders' funds	<u>4,189,886</u>	<u>3,982,560</u>
Closing shareholders' funds	<u>9,661,663</u>	<u>4,189,886</u>

15 Contingent liabilities

At the balance sheet date the company has potential contingent gains and liabilities in respect of currency fluctuations as terminal market transactions fall due, all of which are appropriately covered

As in previous years the precise amounts cannot be quantified

There were no other significant contingent liabilities at the balance sheet date (2010 - £nil)

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

16 Financial commitments

At 30 June 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2012

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Operating leases which expire				
Between two and five years	-	-	2,599	-
In over five years	18,875	17,750	-	-
	<u>18,875</u>	<u>17,750</u>	<u>2,599</u>	<u>-</u>

This relates to the lease in respect of the company's business premises

17 Directors' remuneration

	2011	2010
	£	£
Remuneration for qualifying services	360,057	5,244,594
Company pension contributions to defined contribution schemes	-	245,000
	<u>360,057</u>	<u>5,489,594</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2010 - 3)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	<u>143,965</u>	<u>2,223,249</u>
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TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

18 Employees

Number of employees

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

	2011 Number	2010 Number
Management	3	3
Administration and office staff	8	8
	<u>11</u>	<u>11</u>

Employment costs

	2011 £	2010 £
Wages and salaries	1,057,214	5,795,518
Social security costs	137,865	739,300
Other pension costs	-	245,000
	<u>1,195,079</u>	<u>6,779,818</u>

19 Control

The company is not under the control of any one party

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

20 Related party transactions

Related Individuals

The following transactions took place with individual related parties during the year

Directors' and Related Individuals' Current Accounts

Creditors include the following amounts due to directors and other related individuals at the year end

	2011	2010
	£	£
J Taylor	26,164	431,336
D H Leigh	51,912	431,336
Mrs N Reid	89,229	84,118
Mrs H Taylor	111,372	2,362,173
Mrs E Leigh	118,376	2,389,579
B Reid	101,108	1,306,240

These balances arise as a result of drawings made against the opening balances due, monies introduced and emoluments voted but not paid at the year end

Loan interest charged on these balances during the year amounted to £583,355 (2010 - £739,139)

All Related Party Transactions

There are no provisions against any of the amounts owing at the year end and no amounts have been written off in respect of these transactions during the year

21 Post balance sheet events

On 21 December 2011, the company carried out a purchase of 1,002 of it's own shares, which equated to 8.69% of the issued share capital, for an amount of £651,224