

Company Registration No 1900671 (England and Wales)

TANGENT TRADING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

TUESDAY



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TANGENT TRADING LIMITED

COMPANY INFORMATION

Directors	J D Taylor D H Leigh Mrs N Reid R Borland (Appointed 17 July 2012)
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

CONTENTS

	Page
Directors' report	1 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the cash flow statement	9
Notes to the financial statements	10 - 17

TANGENT TRADING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2012

The directors present their report and financial statements for the year ended 30 June 2012

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

On 21 December 2011, the company carried out a purchase of 1,002 of its own shares, acquiring the shares of the non-director shareholders for £651,224. This equated to 8.69% of the issued share capital.

Also on 21 December 2011, the share capital of the company was reorganised. New classes of shares were created, being ordinary A shares of £1 each and ordinary B shares of £1 each. The ordinary shares held by the shareholders were replaced with shareholdings in ordinary A shares and ordinary B shares.

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

The continuing difficult worldwide economic climate and the eventual effect this has caused on the company's margins has had a negative impact upon the company's financial accounts for the year ended 30th June 2012. However, considering the worldwide conditions, the directors are more than pleased with the results.

At the balance sheet date, the company had net assets of £12.24 million compared to £9.66 million at 30 June 2011.

The company's cash requirements have increased during the year as demonstrated by the cash flow statement. The additional cash required after the purchase of own shares referred to above amounted to £4.2m.

The directors had previously recognised that the company's cash flow requirements would increase during the period and had reflected this in their reduced remuneration levels to ensure that the company had an increased working capital base.

Profit levels are such that the company is required to make payments on account of corporation tax this year, which has effectively seen an additional cash outflow of £650,000 in corporation tax for the current year in addition to £2,100,000 for the year to 30 June 2011.

The company recognises that controlling areas of risk is a key to the success of the business and the directors believe that these controls, together with the long-term policies in place, have again been a key factor in maximising opportunities.

The directors consider the main areas of risk to be commodity and currency fluctuations.

The company looks to limit these risks by its detailed knowledge and use of 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 and whilst there has been a downturn in the company's major markets, this spread of business has allowed the company to continue its success.

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.

TANGENT TRADING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

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 2011

J D Taylor

D H Leigh

Mrs N Reid

R Borland

(Appointed 17 July 2012)

Directors' interests

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

	Ordinary shares of £1 each	
	30 June 2012	1 July 2011
J D Taylor	-	5,388
D H Leigh	-	2,306
Mrs N Reid	-	2,306

	Ordinary A shares of £1 each	
	30 June 2012	1 July 2011
J D Taylor	5,388	-
D H Leigh	-	-
Mrs N Reid	2,574	-

	Ordinary B shares of £1 each	
	30 June 2012	1 July 2011
J D Taylor	-	-
D H Leigh	2,574	-
Mrs N Reid	-	-

Auditors

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

TANGENT TRADING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

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.

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

19-9-2012

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 2012 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 2012 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

20 September 2012

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 2012

	Notes	2012 £	2011 £
Turnover	2	272,567,205	284,783,184
Cost of sales		(266,210,256)	(274,487,783)
Gross profit		6,356,949	10,295,401
Administrative expenses		(1,981,143)	(2,145,283)
Operating profit	3	4,375,806	8,150,118
Other interest receivable and similar income	4	12,918	13,266
Interest payable and similar charges	5	-	(592,263)
Profit on ordinary activities before taxation		4,388,724	7,571,121
Tax on profit on ordinary activities	6	(1,151,001)	(2,099,344)
Profit for the year	12	3,237,723	5,471,777

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

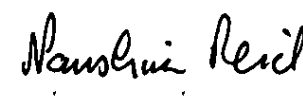
AS AT 30 JUNE 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	7		68,704		90,364
Investments	8		5,250		5,250
			<u>73,954</u>		<u>95,614</u>
Current assets					
Debtors	9	29,126,863		24,745,461	
Cash at bank and in hand		1,846,161		6,056,793	
		<u>30,973,024</u>		<u>30,802,254</u>	
Creditors: amounts falling due within one year	10	(18,798,816)		(21,236,205)	
Net current assets			<u>12,174,208</u>		<u>9,566,049</u>
Total assets less current liabilities			<u>12,248,162</u>		<u>9,661,663</u>
Capital and reserves					
Called up share capital	11		10,536		11,538
Other reserves	12		9,464		8,462
Profit and loss account	12		<u>12,228,162</u>		<u>9,641,663</u>
Shareholders' funds	13		<u>12,248,162</u>		<u>9,661,663</u>

19 SEP 2012

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 2012

	£	2012 £	£	2011 £
Net cash (outflow)/inflow from operating activities		(823,641)		3,539,463
Returns on investments and servicing of finance				
Interest received	12,918		13,266	
Interest paid	-		(592,263)	
Net cash inflow/(outflow) for returns on investments and servicing of finance		12,918		(578,997)
Taxation		(2,746,000)		(62,344)
Capital expenditure				
Payments to acquire tangible assets	(2,685)		(10,029)	
Net cash outflow for capital expenditure		(2,685)		(10,029)
Net cash (outflow)/inflow before management of liquid resources and financing		(3,559,408)		2,888,093
Financing				
Purchase of own shares	(651,224)		-	
Net cash outflow from financing		(651,224)		-
(Decrease)/increase in cash in the year		(4,210,632)		2,888,093

TANGENT TRADING LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2012

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2012		2011	
		£		£	
	Operating profit	4,375,806		8,150,118	
	Depreciation of tangible assets	24,345		29,677	
	Increase in debtors	(4,381,402)		(727,858)	
	Decrease in creditors within one year	(842,390)		(3,912,474)	
	Net cash (outflow)/inflow from operating activities	(823,641)		3,539,463	
2	Analysis of net funds	1 July 2011	Cash flow	Other non-cash changes	30 June 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	6,056,793	(4,210,632)	-	1,846,161
	Net funds	6,056,793	(4,210,632)	-	1,846,161
3	Reconciliation of net cash flow to movement in net funds	2012		2011	
		£		£	
	(Decrease)/increase in cash in the year	(4,210,632)		2,888,093	
	Movement in net funds in the year	(4,210,632)		2,888,093	
	Opening net funds	6,056,793		3,168,700	
	Closing net funds	1,846,161		6,056,793	

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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

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

1.7 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

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

3 Operating profit	2012 £	2011 £
Operating profit is stated after charging		
Depreciation of tangible assets	24,345	29,677
Operating lease rentals		
- Plant and machinery	2,859	1,430
- Other assets	18,875	18,593
Auditors' remuneration	11,000	10,000
Remuneration of auditors for services relating to accountancy and taxation	82,113	60,375

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

4	Investment income	2012	2011
		£	£
	Bank interest	12,918	13,266
		<u>12,918</u>	<u>13,266</u>
5	Interest payable	2012	2011
		£	£
	On other loans wholly repayable within five years	-	592,263
		<u>-</u>	<u>592,263</u>
6	Taxation	2012	2011
		£	£
	Domestic current year tax		
	U K corporation tax	1,155,000	2,100,000
	Adjustment for prior years	(3,999)	(656)
		<u>1,151,001</u>	<u>2,099,344</u>
	Total current tax		
		<u>1,151,001</u>	<u>2,099,344</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	4,388,724	7,571,121
		<u>4,388,724</u>	<u>7,571,121</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.50% (2011 - 27.50%)	1,119,125	2,082,058
		<u>1,119,125</u>	<u>2,082,058</u>
	Effects of		
	Non deductible expenses	20,880	11,448
	Depreciation add back	6,208	8,161
	Capital allowances	(3,058)	(5,732)
	Adjustments to previous periods	(3,999)	(656)
	Other tax adjustments	11,845	4,065
		<u>31,876</u>	<u>17,286</u>
	Current tax charge for the year	<u>1,151,001</u>	<u>2,099,344</u>

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

7 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2011	35,755	89,702	60,336	185,793
Additions	1,083	1,602	-	2,685
	<u>36,838</u>	<u>91,304</u>	<u>60,336</u>	<u>188,478</u>
At 30 June 2012				
Depreciation				
At 1 July 2011	22,774	46,257	26,398	95,429
Charge for the year	9,668	6,192	8,485	24,345
	<u>32,442</u>	<u>52,449</u>	<u>34,883</u>	<u>119,774</u>
At 30 June 2012				
Net book value				
At 30 June 2012	4,396	38,855	25,453	68,704
	<u>12,981</u>	<u>43,445</u>	<u>33,938</u>	<u>90,364</u>
At 30 June 2011				

8 Fixed asset investments

	Listed investments £
Cost	
At 1 July 2011 & at 30 June 2012	5,250
	<u>5,250</u>
	Market valuation £
At 30 June 2011 and 30 June 2012	-
	<u>-</u>

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

9 Debtors	2012 £	2011 £
Trade debtors	27,663,220	22,663,559
Other debtor, HMRC VAT repayment	1,400,393	2,081,902
Prepayments and accrued income	63,250	-
	<u>29,126,863</u>	<u>24,745,461</u>
10 Creditors: amounts falling due within one year	2012 £	2011 £
Trade creditors	17,516,492	17,702,406
Corporation tax	505,001	2,100,000
Other taxes and social security costs	34,830	154,784
Directors' current accounts	48,398	167,305
Other creditors	668,315	1,027,611
Accruals and deferred income	25,780	84,099
	<u>18,798,816</u>	<u>21,236,205</u>
11 Share capital	2012 £	2011 £
Authorised		
100,000 Ordinary shares of £1 each	100,000	100,000
7,962 Ordinary A shares of £1 each	7,962	-
2,574 Ordinary B shares of £1 each	2,574	-
	<u>110,536</u>	<u>100,000</u>
Allotted, called up and fully paid		
11,538 Ordinary shares of £1 each	-	11,538
7,962 Ordinary A shares of £1 each	7,962	-
2,574 Ordinary B shares of £1 each	2,574	-
	<u>10,536</u>	<u>11,538</u>

On 21 December 2011, the company carried out a purchase of 1,002 of its own shares for £651,224. This equated to 8.69% of the issued share capital.

Also on 21 December 2011, the share capital of the company was reorganised. New classes of shares were created, being ordinary A shares of £1 each and ordinary B shares of £1 each. The ordinary shares held by the shareholders were replaced with shareholdings in ordinary A shares and ordinary B shares.

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

12 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2011	8,462	9,641,663
Profit for the year	-	3,237,723
Purchase of own shares	-	(651,224)
Movement during the year	1,002	-
Balance at 30 June 2012	9,464	12,228,162

Other reserves

Capital redemption reserve

Balance at 1 July 2011	8,462
Capital redemption reserve movement	1,002
Balance at 30 June 2012	9,464

13 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the financial year	3,237,723	5,471,777
Purchase of own shares	(651,224)	-
Net addition to shareholders' funds	2,586,499	5,471,777
Opening shareholders' funds	9,661,663	4,189,886
Closing shareholders' funds	12,248,162	9,661,663

14 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 (2011 - £nil)

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

15 Financial commitments

At 30 June 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2013

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Operating leases which expire				
Between two and five years	-	-	2,859	2,599
In over five years	18,875	18,875	-	-
	<u>18,875</u>	<u>18,875</u>	<u>2,859</u>	<u>2,599</u>

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

16 Directors' remuneration

	2012	2011
	£	£
Remuneration for qualifying services	<u>361,239</u>	<u>360,057</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2011 - 3)

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

Remuneration for qualifying services	<u>147,941</u>	<u>143,965</u>
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TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

17 Employees

Number of employees

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

	2012 Number	2011 Number
Management	3	3
Administration and office staff	7	8
	<u>10</u>	<u>11</u>

Employment costs

	2012 £	2011 £
Wages and salaries	922,440	1,057,214
Social security costs	124,406	137,865
	<u>1,046,846</u>	<u>1,195,079</u>

18 Control

Until 21 December 2011, the company was not under the control of any one party

Since 21 December 2011, the company has been under the control of J Taylor

TANGENT TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

19 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

	2012	2011
	£	£
J Taylor & Mrs H Taylor	22,788	137,536
D H Leigh & Mrs E Leigh	3,456	170,288
Mrs N Reid & B Reid	22,152	190,337

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 £nil (2011 - £583,355)

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