

Report of the Directors and  
Financial Statements for the Year Ended 30 April 2011  
for  
Calverton Factors Limited  
Registered Number 3612551



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Calverton Factors Limited

Contents of the Financial Statements  
for the Year Ended 30 April 2011

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7

Calverton Factors Limited

Company Information  
for the Year Ended 30 April 2011

**DIRECTORS:**

M G Byrne  
P G Cordrey  
A J Hickox  
G D Hussey

**SECRETARY:**

Miss S Etherington

**REGISTERED OFFICE:**

Calverton House  
1 Keller Close  
Kiln Farm  
Milton Keynes  
Buckinghamshire  
MK11 3LL

**REGISTERED NUMBER:**

03612551 (England and Wales)

**AUDITORS:**

BDO LLP  
Prospect Place  
85 Great North Road  
Hatfield  
Hertfordshire  
AL9 5BS

**BANKERS:**

Lloyds TSB Bank plc  
1st Floor Navigation House  
Walnut Tree Park  
Walnut Tree Close  
Guildford  
GU1 4TR

**SOLICITORS:**

Paul Davidson Taylor  
Chancery Court  
Queen Street  
Horsham  
Surrey  
RH13 5AD

Calverton Factors Limited

Report of the Directors  
for the Year Ended 30 April 2011

The directors present their report with the financial statements of the company for the year ended 30 April 2011

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of invoice financing

**REVIEW OF BUSINESS**

The profit for the year, after taxation, amounted to £483,748 (2010 £320,015) During the year the company has provided for specific bad debts to a total of £31,381 (2010 £39,831) and recovery during the year on previous specific provisions amounted to £165,489 (2010 £nil) During the year the company has provided for fees charged to a total of £55,126 (2010 £nil)

The directors believe that following an informal valuation, no impairment is required to the freehold land and buildings

The directors are confident about the future prospects of the company

**DIVIDENDS**

An interim dividend of £1 per share was paid on 26 April 2011 The directors recommend that no final dividend be paid

The total distribution of dividends for the year ended 30 April 2011 will be £300,001 (2010 £150,000)

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 May 2010 to the date of this report

M G Byrne  
P G Cordrey  
A J Hickox

Other changes in directors holding office are as follows

G D Hussey was appointed as a director on 1 May 2011

**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 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,
- 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

Calverton Factors Limited

Report of the Directors  
for the Year Ended 30 April 2011

**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 company'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 company's auditors are aware of that information

The auditors, BDO LLP, were appointed during the year and will be proposed for re-appointment at the forthcoming Annual General Meeting

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

**ON BEHALF OF THE BOARD:**

M G Byrne - Director



Date

13th July 2011

Independent Auditor's Report  
To the Members of Calverton Factors Limited

We have audited the financial statements of Calverton Factors Limited for the year ended 30 April 2011 which comprise the profit and loss account, the balance sheet, 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 in an auditor's 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 statement of directors' responsibilities, 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 (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**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 April 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.

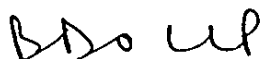
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime.



Jamie Cassell (Senior Statutory Auditor)  
for and on behalf of BDO LLP, statutory auditor  
Hatfield

Date 3 August 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Calverton Factors Limited

Profit and Loss Account  
for the Year Ended 30 April 2011

	Notes	2011 £	2010 £
<b>TURNOVER</b>	2	<b>2,281,980</b>	1,890,117
Discount charges and other direct costs	3	<u>583,679</u>	<u>435,574</u>
<b>GROSS PROFIT</b>		<b>1,698,301</b>	1,454,543
Administrative expenses		<u>1,129,716</u>	<u>1,091,965</u>
		<b>568,585</b>	362,578
Other operating income		<u>7,697</u>	<u>20,312</u>
<b>OPERATING PROFIT</b>	6	<b>576,282</b>	382,890
Income received from fixed asset investments		<u>80,003</u>	<u>50,005</u>
		<b>656,285</b>	432,895
Interest payable	7	<u>8,024</u>	<u>6,754</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>648,261</b>	426,141
Tax on profit on ordinary activities	8	<u>164,513</u>	<u>106,126</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><b>483,748</b></u>	<u>320,015</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year

Calverton Factors Limited  
Registered Number 3612551  
Balance Sheet  
30 April 2011

	Notes	2011 £	£	2010 £	£
<b>ASSETS</b>					
<b>FIXED ASSETS</b>					
Tangible assets	10		470,334		479,831
Investments	11		<u>3,204</u>		<u>3,204</u>
			473,538		483,035
<b>CURRENT ASSETS</b>					
Debtors	12	17,841,319		13,548,370	
Cash at bank and in hand		<u>180,719</u>		<u>49,310</u>	
			<u>18,022,038</u>		<u>13,597,680</u>
<b>TOTAL ASSETS</b>			<u><u>18,495,576</u></u>		<u><u>14,080,715</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13	300,001		300,001	
Share premium	14	100,001		100,001	
Profit and loss account	14	<u>1,053,652</u>		<u>869,905</u>	
<b>SHAREHOLDERS' FUNDS</b>	20		1,453,654		1,269,907
<b>LIABILITIES</b>					
Creditors due within one year	15		16,846,059		12,590,114
Creditors due after more than one year	15		<u>195,863</u>		<u>220,694</u>
<b>TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES</b>			<u><u>18,495,576</u></u>		<u><u>14,080,715</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on *13th July 2011* and were signed on its behalf by

M G Byrne - Director

P G Cordrey - Director

The notes on pages 7 to 14 form part of these financial statements



Notes to the Financial Statements  
for the Year Ended 30 April 2011

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Basis of preparing the financial statements**

Finance charges other than the interest paid on the company's bank overdraft and mortgage loan have been treated as a cost of providing services to clients and are included as a direct cost. This is in accordance with paragraph 4(1) of Schedule 1 of the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008, as the special nature of the business requires the adaptation of headings set out in Schedule 1 of that Act

**Preparation of consolidated financial statements**

The company is subject to the small companies regime and consequently is exempt from the requirement to prepare consolidated accounts. Accordingly, these financial statements present the financial position of the company as an individual entity and not about its group

**FRS1 Cashflow statement (revised 1996)**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold building	- 2% on cost
Computer hardware and software	- 25% on cost
Other equipment	- 20% on cost
Fixtures and fittings	- 10% on cost

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax balances are not discounted

**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 to the profit and loss account

**Operating leases**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease. The company sub-lets part of its property as an operating lease. The rental income received by the company as a lessor is included within other operating income in the profit and loss account

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. The pension costs charged in the financial statements represent the contributions payable by the company to the employees' pension scheme during the year

**Turnover**

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Turnover is measured excluding discounts, rebates and value added tax

**Investments**

Investments held as fixed assets are stated at cost less any provision for impairment

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2011

**1 ACCOUNTING POLICIES - continued**

**Dividends**

Equity dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final dividends are recognised when approved by the shareholders at an annual general meeting.

**Going concern**

The financial statements have been prepared on a going concern basis. The directors consider the company to be a going concern based upon the successful renewal of bank facilities which expire on 30 June 2012. The company's bankers have continued to support the company and the directors believe that they will be successful in renewing the facilities in place.

**2 TURNOVER**

	2011	2010
	£	£
Factoring fees	1,632,913	1,327,164
Discount Income	358,439	343,847
Other factoring charges	290,626	219,100
Bank and other interest	2	6
	<u>2,281,980</u>	<u>1,890,117</u>

All turnover originates in the UK.

**3 DISCOUNTING CHARGES AND OTHER DIRECT COSTS**

	2011	2010
	£	£
Discount charges	158,989	136,539
Commission payable	372,100	254,156
Bank charges	52,590	44,879
	<u>583,679</u>	<u>435,574</u>

**4 STAFF COSTS**

	2011	2010
	£	£
Wages and salaries	674,043	575,538
Social security costs	71,752	49,416
Other pension costs	21,440	9,760
	<u>767,235</u>	<u>634,714</u>

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

	2011	2010
Administration	13	12
Selling and Marketing	3	2
	<u>16</u>	<u>14</u>

Calverton Factors Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2011

**5 DIRECTORS' EMOLUMENTS**

	2011	2010
	£	£
Directors' remuneration	121,680	137,370
Directors' pensions paid	7,470	9,382
Amounts paid to third parties in respect of directors' fees	26,018	25,477
Compensation to director for loss of office	-	30,000

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

Money purchase schemes	<u>1</u>	<u>1</u>
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**6 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2011	2010
	£	£
Hire of plant and machinery	3,039	6,517
Depreciation - owned assets	21,090	20,375
Auditors' remuneration	9,400	12,000
Auditors' remuneration - Non audit fees	1,250	1,500
Rent received as lessor from operating leases	<u>(7,697)</u>	<u>(20,312)</u>

**7 INTEREST PAYABLE**

	2011	2010
	£	£
Bank interest	2,615	833
Mortgage	<u>5,409</u>	<u>5,921</u>
	<u>8,024</u>	<u>6,754</u>

**8 TAXATION**

**Analysis of the tax charge**

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

	2011	2010
	£	£
Current tax		
UK corporation tax	167,854	113,191
Adjustment in respect of previous years	<u>(1,657)</u>	<u>(2,953)</u>
Total current tax	166,197	110,238
Deferred tax	<u>(1,684)</u>	<u>(4,112)</u>
Tax on profit on ordinary activities	<u>164,513</u>	<u>106,126</u>

Calverton Factors Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2011

**8 TAXATION - continued**

**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

	2011 £	2010 £
Profit on ordinary activities before tax	<u>648,261</u>	<u>426,141</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 27.8% (2010 - 28%)	180,450	119,319
Effects of		
Income not taxable for tax purposes	(22,271)	(14,001)
Expenses not deductible for tax purposes	7,991	3,761
Depreciation in excess of capital allowances	1,684	4,112
Adjustment in respect of previous period	<u>(1,657)</u>	<u>(2,953)</u>
Current tax charge	<u>166,197</u>	<u>110,238</u>

**9 DIVIDENDS**

	2011 £	2010 £
Interim dividends paid of £1 per share (2010 - £0.50)	<u>300,001</u>	<u>150,000</u>

**10 TANGIBLE FIXED ASSETS**

	Freehold land and building £	Fixtures and fittings £	Office equipment £	Totals £
<b>COST</b>				
At 1 May 2010	523,638	32,273	126,276	682,187
Additions	<u>-</u>	<u>2,396</u>	<u>9,197</u>	<u>11,593</u>
At 30 April 2011	<u>523,638</u>	<u>34,669</u>	<u>135,473</u>	<u>693,780</u>
<b>DEPRECIATION</b>				
At 1 May 2010	70,691	15,610	116,055	202,356
Charge for year	<u>10,473</u>	<u>3,048</u>	<u>7,569</u>	<u>21,090</u>
At 30 April 2011	<u>81,164</u>	<u>18,658</u>	<u>123,624</u>	<u>223,446</u>
<b>NET BOOK VALUE</b>				
At 30 April 2011	<u>442,474</u>	<u>16,011</u>	<u>11,849</u>	<u>470,334</u>
At 30 April 2010	<u>452,947</u>	<u>16,663</u>	<u>10,221</u>	<u>479,831</u>

Calverton Factors Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2011

11 **FIXED ASSET INVESTMENTS**

**Shares in  
subsidiary  
undertakings  
£**

**COST**

At 1 May 2010 and 30 April 2011

**3,204**

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

**Calverton Limited**

Country of incorporation United Kingdom

Nature of business Dormant

	%
Class of shares	holding
Ordinary	100 00

**2011  
£**

**2010  
£**

Aggregate capital and reserves

**100**

**100**

**Calverton Finance Limited**

Country of incorporation United Kingdom

Nature of business Dormant

	%
Class of shares	holding
Ordinary	100 00

**2011  
£**

**2010  
£**

Aggregate capital and reserves

**100**

**100**

**Calverton Business Support Limited**

Country of incorporation United Kingdom

Nature of business Business administration services

	%
Class of shares	holding
Ordinary	100 00

**2011  
£**

**2010  
£**

Aggregate capital and reserves

**32,495**

**21,046**

Profit for the year

**91,452**

**67,178**

Calverton Factors Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2011

**12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011 £	2010 £
Trade debtors	17,807,637	13,533,250
Deferred tax asset	4,170	2,486
Prepayments and accrued income	<u>29,512</u>	<u>12,634</u>
	<u><b>17,841,319</b></u>	<u><b>13,548,370</b></u>

The deferred tax asset relates to excess of depreciation over tax allowances of £2,770 (2010 £1,086) and other timing differences of £1,400 (2010 £1,400)

**13 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value £1	2011 £	2010 £
300,001	Ordinary		<u><b>300,001</b></u>	<u><b>300,001</b></u>

**14 RESERVES**

	Profit and loss account £	Share premium £	Totals £
At 1 May 2010	869,905	100,001	969,906
Profit for the year	483,748	-	483,748
At 1 May 2010	<u>(300,001)</u>	<u>-</u>	<u>(300,001)</u>
At 30 April 2011	<u><b>1,053,652</b></u>	<u><b>100,001</b></u>	<u><b>1,153,653</b></u>

**15 CREDITORS**

	2011 £	2010 £
Amounts falling due within one year		
Bank loan and overdrafts (see note 16)	5,594,498	4,054,257
Mortgage loan (see note 16)	24,489	23,976
Factoring Clients	10,782,545	8,193,942
Amounts owed to group undertakings	37,453	9,696
Corporation Tax	167,853	113,191
Social security and other taxes	90,525	43,347
Other creditors	<u>148,696</u>	<u>151,705</u>
	<u><b>16,846,059</b></u>	<u><b>12,590,114</b></u>
Amounts falling due after more than one year		
Mortgage loan (see note 16)	<u><b>195,863</b></u>	<u><b>220,694</b></u>
Aggregate amounts	<u><b>17,041,922</b></u>	<u><b>12,810,808</b></u>

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2011

**16 LOANS AND SECURED DEBTS**

An analysis of the maturity of secured debts is given below

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand		
Bank loan and overdrafts	<b>5,594,498</b>	4,054,257
Mortgage loan	<b>24,489</b>	23,976
	<b><u>5,618,987</u></b>	<b><u>4,078,233</u></b>
Amounts falling due between one and two years		
Mortgage loan	<b><u>24,489</u></b>	<b><u>23,976</u></b>
Amounts falling due between two and five years		
Mortgage loan	<b><u>73,467</u></b>	<b><u>71,928</u></b>
Amounts falling due in more than five years		
Mortgage loan	<b><u>97,907</u></b>	<b><u>124,790</u></b>

The bank loan is secured by way of a debenture over the assets of the company

The mortgage loan is secured by a first legal charge over Calverton House. It bears interest at 1.8% above the Lloyds TSB Bank Plc rate and is repayable by 2020.

The company has in place a revolving credit facility that expires on 30 June 2012 and is expected to be renewed.

**17 OPERATING LEASE COMMITMENTS**

At 30 April 2011 the company had annual commitments under non cancellable operating leases as follows

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Expiring		
Between one and five years	<b>8,013</b>	3,656
In more than five years	<b><u>2,897</u></b>	<u>-</u>
	<b><u>10,910</u></b>	<b><u>3,656</u></b>

**18 RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with wholly owned subsidiaries on the grounds all of the voting rights in the subsidiaries are controlled by the company

The profit includes a charge of £ 67,761 (2010 £64,091) in relation to commission payable to Capital Corporate Finance Limited, a company owned by the wife of M G Byrne, one of the directors At the year end an amount of £4,272 ( 2010 £6,432) remained outstanding

The profit includes a charge of £26,018 (2010 £25,477) in relation to directors' fees to Capital & Finance Limited, a company owned by P G Cordrey, one of the directors Capital & Finance Limited received dividends in aggregate of £262,501 (2010 £126,250)

The directors received dividends in aggregate of £37,500 (2010 £37,500)

**19 ULTIMATE CONTROLLING PARTY**

The directors consider the ultimate controlling party to be Capital & Finance Limited, which is incorporated in the United Kingdom and is owned by P G Cordrey

**20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Profit for the financial year	483,748	320,015
Dividends	(300,001)	(150,000)
<b>Net addition to shareholders' funds</b>	<b>183,747</b>	<b>170,015</b>
Opening shareholders' funds	1,269,907	1,099,892
<b>Closing shareholders' funds</b>	<b>1,453,654</b>	<b>1,269,907</b>