

REGISTERED NUMBER. 598338 (England and Wales)

ABBREVIATED AUDITED ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2008

FOR

WALTER HESELWOOD LIMITED

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FOR THE YEAR ENDED 31 JANUARY 2008**

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WALTER HESELWOOD LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2008**

DIRECTORS.	S W B Heselwood Mrs G E Turner
SECRETARY	Mrs G E Turner
REGISTERED OFFICE	Stevenson Road Sheffield S9 2SG
REGISTERED NUMBER	598338 (England and Wales)
AUDITORS.	Marriott Gibbs Rees Wallis Chartered Certified Accountants Registered Auditors 13-17 Paradise Square Sheffield South Yorkshire S1 2DE

WALTER HESELWOOD LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 JANUARY 2008

The directors present their report with the accounts of the company for the year ended 31 January 2008

PRINCIPAL ACTIVITY

The principal activity of the company during year continues to be that of iron and steel merchants

REVIEW OF BUSINESS

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

As shown in the company's profit and loss account, sales and profits have increased compared to the preceding year. The value of sales has risen mainly due to increases in international metal prices. The company's profits benefit from substantial sales of investments and properties. Profits are not expected to continue at this level in the foreseeable future.

The company's balance sheet shows the financial position at the year end. Net assets have reduced due to the payment of substantial dividends however the company's cash position and balance sheet remains strong. The company has no significant long term debt.

DIVIDENDS

Interim dividends per share were paid as follows

19 738	- 14 September 2007
104 610	- 15 December 2007
12 000	- 31 January 2008
<hr/>	
136 348	
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The directors recommend that no final dividend be paid

The total distribution of dividends for the year ended 31 January 2008 will be £3,453,965

FUTURE DEVELOPMENTS

The directors believe metal prices will continue to rise for the foreseeable future. They consider that other trading conditions will remain unchanged for the year to 31 January 2009 and the company has no plans to significantly change the way it operates.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the accounts

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2007 to the date of this report

S W B Heselwood
Mrs G E Turner

FINANCIAL INSTRUMENTS

The company's policy is to finance fixed assets and working capital from cash generated by retained earnings with the objective to minimise financial risks. The company has a strong cash position and no long term debt. Additionally, it has no transactions, assets or liabilities denominated in foreign currencies. The company does not use derivative financial instruments to hedge its exposure to risks.

The company manages its exposure to risk in relation to metal prices by monitoring the metal markets and the prices its customers are willing to pay. The price offered to suppliers is adjusted on a regular basis and stock levels are kept to a minimum.

The directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or profit.

WALTER HESELWOOD LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2008**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Marriott Gibbs Rees Wallis, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



Mrs G E Turner - Secretary

Date

17/08/08

**REPORT OF THE INDEPENDENT AUDITORS TO
WALTER HESELWOOD LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages five to fifteen, together with the financial statements of Walter Heselwood Limited for the year ended 31 January 2008 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Marriott Gibbs Rees Wallis

Marriott Gibbs Rees Wallis
Chartered Certified Accountants
Registered Auditors
13-17 Paradise Square
Sheffield
South Yorkshire
S1 2DE

29 August 2008

WALTER HESELWOOD LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2008**

	Notes	2008 £	2007 £
GROSS PROFIT		827,393	577,786
Administrative expenses		<u>186,893</u>	<u>326,940</u>
OPERATING PROFIT	3	640,500	250,846
Income from shares in group undertakings		804,000	500,000
Income from fixed asset investments		713	-
Interest receivable and similar income		<u>86,269</u>	<u>31,630</u>
		890,982	531,630
		1,531,482	782,476
Interest payable and similar charges	4	<u>-</u>	<u>9,094</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,531,482	773,382
Tax on profit on ordinary activities	5	<u>219,098</u>	<u>81,005</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>1,312,384</u>	<u>692,377</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


WALTER HESELWOOD LIMITED

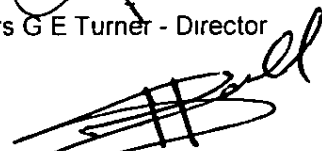
**ABBREVIATED BALANCE SHEET
31 JANUARY 2008**

		2008		2007	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	7		637,108		852,092
Investments	8		1,005,102		3,366,502
			<u>1,642,210</u>		<u>4,218,594</u>
CURRENT ASSETS					
Stocks	9	279,125		394,500	
Debtors	10	1,051,345		526,048	
Cash at bank and in hand		921,972		556,359	
		<u>2,252,442</u>		<u>1,476,907</u>	
CREDITORS					
Amounts falling due within one year	11	705,735		363,133	
NET CURRENT ASSETS			<u>1,546,707</u>		<u>1,113,774</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,188,917</u>		<u>5,332,368</u>
PROVISIONS FOR LIABILITIES	13		82,242		84,112
NET ASSETS			<u><u>3,106,675</u></u>		<u><u>5,248,256</u></u>
CAPITAL AND RESERVES					
Called up share capital	14		25,332		25,332
Capital redemption reserve	15		14,668		14,668
Profit and loss account	15		3,066,675		5,208,256
SHAREHOLDERS' FUNDS	17		<u><u>3,106,675</u></u>		<u><u>5,248,256</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements were approved by the Board of Directors on **17 August 2008** and were signed on its behalf by


Mrs G E Turner - Director


S W B Heselwood - Director

The notes on pages 8 to 15 form part of these abbreviated accounts

WALTER HESELWOOD LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2008**

	Notes	2008 £	2007 £
Net cash inflow from operating activities	18	309,434	183,992
Returns on investments and servicing of finance	19	897,818	515,335
Taxation		(67,283)	(10,507)
Capital expenditure and financial investment	19	3,016,584	258,485
Equity dividends paid		(3,453,965)	(440,010)
		702,588	507,295
Financing	19	(388,915)	(835,591)
Increase/(Decrease) in cash in the period		313,673	(328,296)
<hr/>			
Reconciliation of net cash flow to movement in net funds	20		
Increase/(Decrease) in cash in the period		313,673	(328,296)
Change in net funds resulting from cash flows		313,673	(328,296)
Movement in net funds in the period		313,673	(328,296)
Net funds at 1 February		525,172	853,468
Net funds at 31 January		838,845	525,172

The notes on pages 8 to 15 form part of these abbreviated accounts

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2008**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Exemption from preparing consolidated financial statements

The financial statements contain information about Walter Heselwood Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements

Turnover

Turnover of the company has been derived from its principal activity and represents the invoice value, excluding value added tax, of sales made during the year

Tangible fixed assets

Tangible fixed assets are included at cost less accumulated depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its estimated useful economic life or, if held under a finance lease, over the lease term, whichever is the shorter

Depreciation rates are as follows

Freehold land	- No depreciation is charged on freehold land
Freehold buildings	- Straight line over twenty five years
Long leasehold property	- Straight line over the lease term
Plant and machinery	- Straight line over seven years
Fixtures and fittings	- Straight line over ten years
Motor vehicles	- Straight line over seven years

Stocks

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

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme for the directors. In addition, the company contributes to some employees' personal pension schemes. The assets are held separately from those of the company in independently administered funds. Contributions payable to the schemes are charged to the profit and loss account in the period to which they relate

Investments

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

WALTER HESELWOOD LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JANUARY 2008**

2 STAFF COSTS

	2008	2007
	£	£
Wages and salaries	317,512	314,505
Social security costs	30,177	29,853
Other pension costs	37,000	18,600
	<u>384,689</u>	<u>362,958</u>

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

	2008	2007
Recycling activities	13	14
Management	3	3
	<u>16</u>	<u>17</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2008	2007
	£	£
Depreciation - owned assets	152,766	155,110
Profit on disposal of fixed assets	(592,966)	(101,023)
Auditors' remuneration	2,500	2,500
	<u>43,500</u>	<u>112,000</u>
Directors' emoluments	12,000	10,000
Directors' pension contributions to money purchase schemes	<u>12,000</u>	<u>10,000</u>

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

	2	2
Money purchase schemes	<u>2</u>	<u>2</u>

Remuneration of £143,000 (2007 £120,000) and pension contributions of £50,000 (2007 £ -) were paid in respect of directors services by the company's subsidiary

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2008	2007
	£	£
Interest paid to group undertaking	-	9,094
	<u>-</u>	<u>9,094</u>

WALTER HESELWOOD LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JANUARY 2008**

5 TAXATION

Analysis of the tax charge

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

	2008 £	2007 £
Current tax		
UK corporation tax	220,968	67,283
Deferred tax	(1,870)	13,722
Tax on profit on ordinary activities	<u>219,098</u>	<u>81,005</u>

UK corporation tax has been charged at 30% (2007 - 25%)

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

	2008 £	2007 £
Profit on ordinary activities before tax	<u>1,531,482</u>	<u>773,382</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 29.960% (2007 - 25.066%)	458,832	193,856
Effects of		
Expenses disallowed	3,670	1,687
Capital allowances in excess of depreciation	(439)	(2,930)
Dividends received	(241,095)	(125,330)
Current tax charge	<u>220,968</u>	<u>67,283</u>

6 DIVIDENDS

	2008 £	2007 £
Ordinary shares shares of £1 each		
Interim	<u>3,453,965</u>	<u>440,010</u>

WALTER HESELWOOD LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JANUARY 2008**

7 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 February 2007	206,605	1,221,835	38,299	102,023	1,568,762
Additions	-	1,156	1,861	5,346	8,363
Disposals	(84,633)	-	(9,800)	-	(94,433)
At 31 January 2008	121,972	1,222,991	30,360	107,369	1,482,692
DEPRECIATION					
At 1 February 2007	45,600	606,931	13,017	51,122	716,670
Charge for year	100	135,930	3,722	13,014	152,766
Eliminated on disposal	(15,700)	-	(8,152)	-	(23,852)
At 31 January 2008	30,000	742,861	8,587	64,136	845,584
NET BOOK VALUE					
At 31 January 2008	91,972	480,130	21,773	43,233	637,108
At 31 January 2007	161,005	614,904	25,282	50,901	852,092

8 FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 February 2007	3,102	3,363,400	3,366,502
Disposals	-	(2,361,400)	(2,361,400)
At 31 January 2008	3,102	1,002,000	1,005,102
NET BOOK VALUE			
At 31 January 2008	3,102	1,002,000	1,005,102
At 31 January 2007	3,102	3,363,400	3,366,502

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

Heppenstall Metal Company Limited

Nature of business Non Ferrous Metal Merchant

	% holding 100 00	2008 £	2007 £
Class of shares			
Ordinary			
Aggregate capital and reserves		453,620	929,014
Profit for the year		328,606	226,877

WALTER HESELWOOD LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JANUARY 2008**

9 STOCKS

	2008	2007
	£	£
Raw materials	<u>279,125</u>	<u>394,500</u>

10 DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Trade debtors	595,596	395,180
Amounts owed by group undertakings	448,021	-
Other debtors	-	116,000
Prepayments and accrued income	7,728	14,868
	<u>1,051,345</u>	<u>526,048</u>

11 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Bank loans and overdrafts (see note 12)	83,127	31,187
Trade creditors	128,954	64,237
Amounts owed to group undertakings	-	56,894
Corporation tax	220,968	67,283
Other taxes & social security	4,655	8,148
Value added tax	162,315	115,513
Other creditors	712	-
Accruals and deferred income	105,004	19,871
	<u>705,735</u>	<u>363,133</u>

12 LOANS

An analysis of the maturity of loans is given below

	2008	2007
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	<u>83,127</u>	<u>31,187</u>

13 PROVISIONS FOR LIABILITIES

	2008	2007
	£	£
Deferred tax		
Capital allowances in excess of depreciation	<u>82,242</u>	<u>84,112</u>

	Deferred tax £
Balance at 1 February 2007	84,112
Profit and loss account credit	(1,870)
Balance at 31 January 2008	<u>82,242</u>

WALTER HESELWOOD LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JANUARY 2008**

14 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value £1	2008 £	2007 £
40,000	Ordinary shares		<u>40,000</u>	<u>40,000</u>
Allotted, issued and fully paid Number	Class	Nominal value £1	2008 £	2007 £
25,332	Ordinary shares		<u>25,332</u>	<u>25,332</u>

15 RESERVES

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 February 2007	5,208,256	14,668	5,222,924
Profit for the year	1,312,384		1,312,384
Dividends	(3,453,965)		(3,453,965)
At 31 January 2008	<u>3,066,675</u>	<u>14,668</u>	<u>3,081,343</u>

16 POST BALANCE SHEET EVENTS

The company sold a property for £200,000, an investment for £1,155,456 and paid dividends of £1,388,954 after the balance sheet date

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Profit for the financial year	1,312,384	692,377
Dividends	(3,453,965)	(440,010)
	<u>(2,141,581)</u>	<u>252,367</u>
Purchase of own shares	-	(885,000)
Net reduction of shareholders' funds	(2,141,581)	(632,633)
Opening shareholders' funds	<u>5,248,256</u>	<u>5,880,889</u>
Closing shareholders' funds	<u>3,106,675</u>	<u>5,248,256</u>

WALTER HESELWOOD LIMITED

**NOTES TO THE CASH FLOW STATEMENT - continued
FOR THE YEAR ENDED 31 JANUARY 2008**

18 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008	2007
	£	£
Operating profit	640,500	250,846
Depreciation charges	152,766	155,110
Profit on disposal of fixed assets	(592,966)	(101,023)
Decrease/(Increase) in stocks	115,375	(173,500)
(Increase)/Decrease in debtors	(200,112)	114,846
Increase/(Decrease) in creditors	193,871	(62,287)
Net cash inflow from operating activities	<u>309,434</u>	<u>183,992</u>

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

	2008	2007
	£	£
Returns on investments and servicing of finance		
Interest received	93,105	24,429
Dividends received	804,713	500,000
Interest paid to group undertaking	-	(9,094)
Net cash inflow for returns on investments and servicing of finance	<u>897,818</u>	<u>515,335</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(8,363)	-
Sale of tangible fixed assets	219,950	259,490
Sale of fixed asset investments	2,804,997	-
Purchase of shares in group undertaking	-	(1,005)
Net cash inflow for capital expenditure and financial investment	<u>3,016,584</u>	<u>258,485</u>
Financing		
New loan from group undertaking	-	549,409
New loan to group undertaking	(500,000)	-
Loan repayments to group undertaking	(4,915)	(500,000)
Other loan repayments received	116,000	-
Purchase of own shares	-	(885,000)
Net cash outflow from financing	<u>(388,915)</u>	<u>(835,591)</u>

WALTER HESELWOOD LIMITED

**NOTES TO THE CASH FLOW STATEMENT - continued
FOR THE YEAR ENDED 31 JANUARY 2008**

20 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 2 07 £	Cash flow £	At 31.1.08 £
Net cash			
Cash at bank and in hand	556,359	365,613	921,972
Bank overdraft	(31,187)	(51,940)	(83,127)
	<u>525,172</u>	<u>313,673</u>	<u>838,845</u>
 Total	 <u><u>525,172</u></u>	 <u><u>313,673</u></u>	 <u><u>838,845</u></u>