

REGISTERED NUMBER: 04056688 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2010
FOR
CHARLTON BODIES LIMITED**



CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

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FOR THE YEAR ENDED 31ST JANUARY 2010**

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CHARLTON BODIES LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST JANUARY 2010

DIRECTORS:	A J Burton S L Burton
SECRETARY:	T D Russell
REGISTERED OFFICE:	Rutland Works Vulcan Way New Addington CROYDON Surrey CR9 0DE
REGISTERED NUMBER:	04056688 (England and Wales)
SENIOR STATUTORY AUDITOR:	Michael P Whittaker
AUDITORS:	McCabe Ford Williams Chartered Accountants Registered Auditors 2 The Links HERNE BAY Kent CT6 7GQ
SOLICITORS:	Alston Ashby Solicitors 25 Military Road CHATHAM Kent ME4 4JG

CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST JANUARY 2010**

The directors present their report with the financial statements of the company for the year ended 31st January 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of truck bodies

REVIEW OF BUSINESS

During the trading year ended 31st January 2010, Charlton Bodies Limited experienced a significant reduction in its core business revenue streams

With a client portfolio traditionally made up of construction related businesses, the effect of the global economic situation has resulted in disruption to our clients' usual purchasing cycles and their willingness to make large capital investments in commercial vehicles

Unfortunately our business is wholly reliant on this cycle. To mitigate the reduction in our core construction related business, we have successfully diversified our product offering, and now have a wider product band which includes, military, local authority and highways agency sectors

Also, during quarters 3 and 4 of 2010, we have seen a dramatic increase in our construction related business activities, resulting in a flow of fresh enquiries which have lead to an ongoing growth in new orders

As we enter the last quarter of our trading year 2010/2011, our order book is at its healthiest since the UK economic recession impacted our business in the second quarter of 2008. This situation is expected to guarantee a sustained production schedule and sales base well into 2011

Charlton Bodies Limited will continue to receive the full support of its parent, Thompsons UK Limited, via resources or financial support, for a further 12 months, from the date of approving the accounts, in order to support its going concern basis

DIRECTORS

The directors shown below have held office during the whole of the period from 1st February 2009 to the date of this report

A J Burton
S L Burton

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

CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST JANUARY 2010**

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 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

AUDITORS

The auditors, McCabe Ford Williams, 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:

A handwritten signature in black ink, appearing to read 'T D Russell', is written over the text 'ON BEHALF OF THE BOARD:'.

T D Russell - Secretary

20th December 2010

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF CHARLTON BODIES LIMITED

We have audited the financial statements of Charlton Bodies Limited for the year ended 31st January 2010 on pages five to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 set out on page two, 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 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.

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 31st January 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 Report of the Directors 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 Report of the Directors in accordance with the small companies regime.



Michael P Whittaker (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Chartered Accountants
Registered Auditors
2 The Links
HERNE BAY
Kent
CT6 7GQ

21st December 2010

CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JANUARY 2010**

	Notes	31 1 10 £	31 1 09 £
TURNOVER		3,379,705	4,961,095
Cost of sales		3,082,274	4,263,248
GROSS PROFIT		297,431	697,847
Administrative expenses		548,208	662,689
		(250,777)	35,158
Other operating income		3,737	5,570
OPERATING (LOSS)/PROFIT	2	(247,040)	40,728
Redundancy and notice pay	3	20,002	-
		(267,042)	40,728
Interest receivable and similar income		18	7
		(267,024)	40,735
Interest payable and similar charges		3,781	5,247
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(270,805)	35,488
Tax on (loss)/profit on ordinary activities	4	(51,707)	22,506
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(219,098)	12,982

The notes form part of these financial statements

CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31ST JANUARY 2010**

	31 1 10 £	31 1 09 £
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(219,098)	12,982
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(219,098)</u>	<u>12,982</u>
Prior year adjustment		<u>60,000</u>
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		<u><u>72,982</u></u>

The notes form part of these financial statements

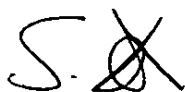
CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**BALANCE SHEET
31ST JANUARY 2010**

	Notes	31 1 10 £	31 1 09 £
FIXED ASSETS			
Tangible assets	5	170,438	225,991
CURRENT ASSETS			
Stocks	6	208,821	345,617
Debtors	7	254,395	708,033
Cash at bank and in hand		26,035	59
		<u>489,251</u>	<u>1,053,709</u>
CREDITORS			
Amounts falling due within one year	8	<u>375,494</u>	<u>764,824</u>
NET CURRENT ASSETS		<u>113,757</u>	<u>288,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>284,195</u>	<u>514,876</u>
CREDITORS			
Amounts falling due after more than one year	9	(125,460)	(137,043)
PROVISIONS FOR LIABILITIES	12	<u>(14,631)</u>	<u>(14,631)</u>
NET ASSETS		<u><u>144,104</u></u>	<u><u>363,202</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	1,000	1,000
Profit and loss account	14	<u>143,104</u>	<u>362,202</u>
SHAREHOLDERS' FUNDS		<u><u>144,104</u></u>	<u><u>363,202</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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 20th December 2010 and were signed on its behalf by



S L Burton - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2010

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis which assumes the continued financial support of the parent company and the company's bankers for at least twelve months from the date of approval of these financial statements

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents net invoiced sales of goods, derived from ordinary activities, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Leasehold Improvements	- over the term of the lease
Plant and machinery	- 10% - 25% on a straight line basis
Fixtures and fittings	- 33% on a straight line basis
Motor vehicles	- 25% on a straight line basis
Computer equipment	- 33% on a straight line basis

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes the actual cost of raw materials plus, in the case of work in progress, an appropriate proportion of labour and overheads. Provision is made for obsolete and slow-moving items

Where, at the financial year end, work in progress includes contracts which are significantly completed, a prudent level of profit attributable to the contract activity is taken up, but only if the final outcome of such contracts can be reliably assessed. Full provision is always made for any losses in the year in which they are first foreseen

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2010**

2 OPERATING (LOSS)/PROFIT

The operating loss (2009 - operating profit) is stated after charging/(crediting)

	31 1 10	31 1 09
	£	£
Depreciation - owned assets	21,052	29,762
Depreciation - assets on hire purchase contracts	34,500	32,627
Profit on disposal of fixed assets	-	(1,394)
Auditors' remuneration	9,000	8,500
Foreign exchange differences	-	106
Pension costs	14,020	12,336
	<u> </u>	<u> </u>
Directors' remuneration and other benefits etc	<u> </u> -	<u> </u> 20,000

3 EXCEPTIONAL ITEMS

During the financial year ended 31 January 2010, the company made several employees redundant, the cost of redundancy entitlements and notice pay amounted to £20,002

4 TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows

	31 1 10	31 1 09
	£	£
Current tax		
UK corporation tax	(36,364)	11,588
Prior year	(15,343)	15,462
	<u> </u>	<u> </u>
Total current tax	(51,707)	27,050
Deferred tax	<u> </u> -	<u> </u> (4,544)
Tax on (loss)/profit on ordinary activities	<u> </u> (51,707)	<u> </u> 22,506

CHARLTON BODIES LIMITED (REGISTERED NUMBER. 04056688)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2010

5 TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st February 2009	46,708	423,814	60,561
At 31st January 2010	46,708	423,814	60,561
DEPRECIATION			
At 1st February 2009	20,868	282,311	28,377
Charge for year	4,331	37,766	5,225
Eliminated on disposal	-	-	-
At 31st January 2010	25,199	320,077	33,602
NET BOOK VALUE			
At 31st January 2010	21,509	103,737	26,959
At 31st January 2009	25,840	141,503	32,184
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st February 2009	39,375	19,623	590,081
Disposals	(5,500)	-	(5,500)
At 31st January 2010	33,875	19,623	584,581
DEPRECIATION			
At 1st February 2009	16,190	16,345	364,091
Charge for year	6,468	1,762	55,552
Eliminated on disposal	(5,500)	-	(5,500)
At 31st January 2010	17,158	18,107	414,143
NET BOOK VALUE			
At 31st January 2010	16,717	1,516	170,438
At 31st January 2009	23,185	3,278	225,990

CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2010**

5 TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st February 2009	200,919	25,514	33,875	260,308
Transfer to ownership	(200,919)	-	(7,995)	(208,914)
At 31st January 2010	-	25,514	25,880	51,394
DEPRECIATION				
At 1st February 2009	96,081	3,408	9,604	109,093
Charge for year	25,476	2,556	6,468	34,500
Transfer to ownership	(125,557)	-	(7,995)	(133,552)
At 31st January 2010	(4,000)	5,964	8,077	10,041
NET BOOK VALUE				
At 31st January 2010	4,000	19,550	17,803	41,353
At 31st January 2009	104,838	22,106	24,271	151,215

6 STOCKS

	31 1 10 £	31 1 09 £
Raw materials	194,562	271,609
Work in progress	14,259	74,008
	<u>208,821</u>	<u>345,617</u>

7 DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 1 10 £	31 1 09 £
Trade debtors	169,366	630,956
Amounts owed by group undertakings	19,020	675
Other debtors	66,009	76,402
	<u>254,395</u>	<u>708,033</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 1 10 £	31 1 09 £
Bank loans and overdrafts	-	130,054
Hire purchase contracts	11,583	27,300
Trade creditors	268,624	352,313
Amounts owed to group undertakings	1,766	27,216
Taxation and social security	37,897	134,401
Other creditors	55,624	93,540
	<u>375,494</u>	<u>764,824</u>

CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2010**

9 CREDITORS' AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 1 10	31 1 09
	£	£
Hire purchase contracts	4,202	15,785
Amounts owed to group undertakings	121,258	121,258
	<u>125,460</u>	<u>137,043</u>

10 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	31 1 10	31 1 09
	£	£
Expiring		
Between one and five years	3,759	-
In more than five years	84,000	84,000
	<u>87,759</u>	<u>84,000</u>

11 SECURED DEBTS

The following secured debts are included within creditors

	31 1 10	31 1 09
	£	£
Bank overdraft	-	130,054
Hire purchase contracts	15,785	43,085
	<u>15,785</u>	<u>173,139</u>

Bank borrowings are secured by a fixed and floating charge over the assets of the company

12 PROVISIONS FOR LIABILITIES

	31 1 10	31 1 09
	£	£
Deferred tax	<u>14,631</u>	<u>14,631</u>
		Deferred tax
		£
Balance at 1st February 2009		<u>14,631</u>
Balance at 31st January 2010		<u>14,631</u>

13 CALLED UP SHARE CAPITAL

Number	Class	Nominal value	31 1 10	31 1 09
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

CHARLTON BODIES LIMITED (REGISTERED NUMBER: 04056688)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2010**

14 RESERVES

	Profit and loss account £
At 1st February 2009	362,202
Deficit for the year	(219,098)
At 31st January 2010	<u>143,104</u>

15 CONTINGENT LIABILITIES

The company provides unlimited 3 year warranties to customers in respect of finished goods. The full extent of the liability arising cannot be quantified with any certainty. However, provisions made historically have proved to be adequate.

16 RELATED PARTY DISCLOSURES

During the year the company engaged in the following transactions

(i) Thompsons UK Limited - immediate parent company

The company purchased goods and services from its parent totalling £87,668, on normal commercial terms. It sold goods and services to its parent, on normal commercial terms, totalling £276,260. At the financial year end, the net amount due from/(to) the parent in respect of trading transactions was £19,020 (2009 - £(26,256)).

In addition to the above trading indebtedness, the company owed £121,258 (2009 - £121,258) to its parent in respect of funds advanced by the parent. There are no formal provisions in place for the repayment of the loan, nor for the payment of interest thereon.

(ii) Thompsons Spares and Services Limited (fellow subsidiary)

The company purchased goods and services, on normal commercial terms, totalling £240. At the financial year end, the company owed £1,766 (2009 - £689) to its fellow subsidiary.

(iii) Thompsons Trailer Technologies Limited (fellow subsidiary)

The company sold goods and services, on normal commercial terms, totalling £1,710. At the financial year-end, the company was owed £Nil (2009-£675) by its fellow-subsiidiary.

(iv) Binotto (UK) Limited (a company in which Mr Allan Burton is a director)

The company purchased goods and services, on normal commercial terms, totalling £58,305. At the financial year end, the company owed £21,216 (2009 - £18,467) to Binotto (UK) Limited.

17 ULTIMATE CONTROLLING PARTY

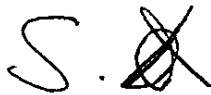
The company is controlled by Thompsons UK Limited, a company based in Croydon, which owns the entire issued share capital.

Company number: 04056688

Minutes of the meeting of the directors of Charlton Bodies Limited held at Thompson UK Limited, Vulcan Way, New Addington, Croydon CR9 0DE on 20th December 2010

Present	S L BURTON	- Director
In attendance	T D. RUSSELL	- Company Secretary

- 1 The directors' report and audited financial statements for the year ended 31st January 2010 were considered in detail and approved.
- 2 S L Burton was authorised to sign the Balance Sheet, and T D. Russell was authorised to sign the directors' report, on behalf of the board



S L Burton ...
- DIRECTOR