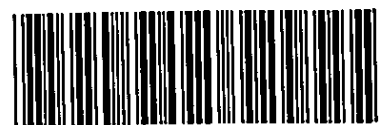


Company Registration No. 1026710 (England and Wales)

H DAVENPORT & SONS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010

THURSDAY



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COMPANIES HOUSE

H DAVENPORT & SONS LIMITED

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H DAVENPORT & SONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their report and financial statements for the year ended 31 December 2010

Principal activities and review of the business

The company became a wholly owned subsidiary of Davenport Holdings (Willenhall) Limited on the 1 January 2010

The principal activity of the company continued to be that of the manufacture of cut keys, key blanks and key cutting equipment

There has been no significant change in the activities of the company during the period

The results for the year are in line with the expectations of the directors

There were no major changes to the business during the year

The company measures its business performance based upon gross profit and operating profit

During the year gross profit increased from £1,327,582 to £1,346,174. Operating profit also rose from £24,980 in 2009 to £212,625 in the current year. The increase in profitability is attributed to improvements in efficiency within the business combined with changes in the management structure within the business. The company continues to try to improve profitability whilst at the same time minimising its overhead costs.

The company recognises certain areas of risk to the success of the business. The main areas of risk being the recession in the industry, adverse movements in the foreign exchange markets and market penetration from cheaper overseas competitors.

The company mitigates these risks by pricing its products as competitively as possible, producing its own components where it is more cost effective to do so and building up long term relationships with customers and suppliers.

Results and dividends

The results for the year are set out on page 4

An ordinary dividend of £1,706,250 being £262.50 per share was paid to Davenport Holdings (Willenhall) Limited during the year.

Future developments

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

Directors

The following directors have held office since 1 January 2010

J Davenport

Mrs J Davenport

S Davenport

Mrs S C Davenport

T Wright

(Resigned 1 January 2010)

Auditors

The auditors, Ian Richmond Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006

H DAVENPORT & SONS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP)

Company law requires the directors to prepare financial statements for each financial year which 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 those 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,
- state whether applicable 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 proper accounting records which 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 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 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



J Davenport

Director

28.09.11

H DAVENPORT & SONS LIMITED

INDEPENDENT AUDITORS' REPORT TO H DAVENPORT & SONS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of H Davenport & Sons Limited for the year ended 31 December 2010 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. 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.

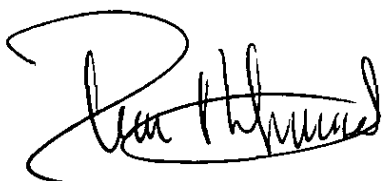
Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Ian Richmond (Senior Statutory Auditor)
for and on behalf of Ian Richmond Limited

28.09.11

Chartered Accountants
Statutory Auditor

Chapel Ash House
6 Compton Road
Chapel Ash
Wolverhampton
West Midlands
WV3 9PH

H DAVENPORT & SONS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
Turnover		5,374,381	5,564,789
Other operating income less cost of sales		(3,977,311)	(4,243,022)
Distribution costs		(206,911)	(226,726)
Administrative expenses		(964,545)	(1,070,061)
Operating profit	2	225,614	24,980
Investment income	3	-	701,796
Other interest receivable and similar income		1,435	3,114
Amounts written off investments	4	-	(602,900)
Profit on ordinary activities before taxation		227,049	126,990
Tax on profit on ordinary activities	5	43,893	(7,500)
Profit for the year	15	270,942	119,490

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

H DAVENPORT & SONS LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2010

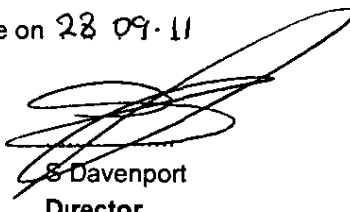
	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	7	274,236		1,248,988	
Investments	8	421,719		421,719	
		<u>695,955</u>		<u>1,670,707</u>	
Current assets					
Stocks	9	982,252		988,235	
Debtors	10	1,043,000		1,004,586	
Cash at bank and in hand		813,743		706,287	
		<u>2,838,995</u>		<u>2,699,108</u>	
Creditors amounts falling due within one year	11	<u>(1,918,353)</u>		<u>(1,176,972)</u>	
Net current assets		<u>920,642</u>		<u>1,522,136</u>	
Total assets less current liabilities		<u>1,616,597</u>		<u>3,192,843</u>	
Provisions for liabilities	12	<u>(24,000)</u>		<u>(165,000)</u>	
		<u>1,592,597</u>		<u>3,027,843</u>	
Capital and reserves					
Called up share capital	14	6,560		6,500	
Profit and loss account	15	1,586,037		3,021,343	
Shareholders' funds	16	<u>1,592,597</u>		<u>3,027,843</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 28 09.11



J Davenport
Director



J Davenport
Director

Company Registration No 1026710

H DAVENPORT & SONS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
£	£	£
Net cash inflow/(outflow) from operating activities	1,043,882	(642,483)
Returns on investments and servicing of finance		
Interest received	1,435	3,114
Dividends received	-	701,796
Net cash inflow for returns on investments and servicing of finance	1,435	704,910
Taxation	(40,018)	-
Capital expenditure and financial investment		
Payments to acquire tangible assets	(14,564)	(12,421)
Payments to acquire investments	-	(400,000)
Receipts from sales of tangible assets	929,743	-
Net cash inflow/(outflow) for capital expenditure	915,179	(412,421)
Equity dividends paid	(1,706,250)	-
Net cash inflow/(outflow) before management of liquid resources and financing	214,228	(349,994)
Management of liquid resources		
Bank deposits	(157,421)	470,372
	(157,421)	470,372
Financing		
Issue of ordinary share capital	60	-
Other new short term loans	-	11,075
Repayment of other short term loans	(106,832)	(51,168)
Net cash outflow from financing	(106,772)	(40,093)
(Decrease)/increase in cash in the year	(49,965)	80,285

H DAVENPORT & SONS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities		2010	2009
			£	£
	Operating profit		225,614	24,980
	Depreciation of tangible assets		55,590	67,392
	Loss on disposal of tangible assets		3,985	-
	Decrease in stocks		5,983	49,704
	(Increase)/decrease in debtors		(38,414)	183,852
	Increase/(decrease) in creditors within one year		791,124	(968,411)
	Net cash inflow/(outflow) from operating activities		1,043,882	(642,483)

2	Analysis of net funds	1 January 2010	Cash flow	Other non-cash changes	31 December 2010
		£	£	£	£
	Net cash				
	Cash at bank and in hand	506,534	(49,965)	-	456,569
	Liquid resources				
	Bank deposits	199,753	157,421	-	357,174
	Debt				
	Debts falling due within one year	(111,632)	106,832	-	(4,800)
	Net funds	594,655	214,288	-	808,943

3	Reconciliation of net cash flow to movement in net funds	2010	2009
		£	£
	(Decrease)/increase in cash in the year	(49,965)	80,285
	Cash (outflow)/inflow from (increase)/decrease in liquid resources	157,421	(470,372)
	Cash outflow from decrease in debt	106,832	40,092
	Movement in net funds in the year	214,288	(349,995)
	Opening net funds	594,655	944,650
	Closing net funds	808,943	594,655

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

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

Land and buildings Leasehold	Straight line over the term of the lease
Plant and machinery	15% p a reducing balance basis
Fixtures, fittings & equipment	15% p a reducing balance basis and 33% p a straight line basis
Motor vehicles	25% p a reducing balance basis

No depreciation is provided on the company's property since in the opinion of the directors, the expected useful life is sufficiently long, and the estimated residual values are sufficiently high, that any such depreciation would be immaterial. This policy is in accordance with Financial Reporting Standard No 15

1.5 Leasing

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

1.6 Investments

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

1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value as follows

Raw materials, consumables and goods for resale - Purchase cost on a first-in, first-out basis

Work in progress - Cost of direct materials

Provision is made to reduce the cost of stock items to net realisable value based upon the number of items sold

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17

1.9 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

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies (continued)

1 10 Foreign currency translation

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

1 11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Operating profit	2010	2009
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	55,590	67,392
Loss on disposal of tangible assets	3,985	-
Loss on foreign exchange transactions	-	12,821
Operating lease rentals	155,577	5,000
Auditors' remuneration (including expenses and benefits in kind)	7,000	7,000
and after crediting		
Profit on foreign exchange transactions	(45,019)	-

3 Investment income	2010	2009
	£	£
Income from shares in group undertakings	-	701,796
Bank interest	1,435	3,114
	<u>1,435</u>	<u>704,910</u>

4 Amounts written off investments	2010	2009
	£	£
Amounts written off fixed asset investments		
- permanent diminution in value	-	602,900

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

5	Taxation	2010 £	2009 £
	Domestic current year tax		
	U K corporation tax	63,500	7,500
	Adjustment for prior years	33,607	-
	Total current tax	97,107	7,500
	Deferred tax		
	Deferred tax charge/credit current year	(141,000)	-
		(43,893)	7,500
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	227,049	126,990
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.80% (2009 - 21.00%)	58,579	26,668
	Effects of		
	Non deductible expenses	-	1,155
	Depreciation add back	14,342	14,152
	Capital allowances	(10,929)	(14,487)
	Adjustments to previous periods	33,607	-
	Other tax adjustments	1,508	(19,988)
		38,528	(19,168)
	Current tax charge for the year	97,107	7,500
6	Dividends	2010 £	2009 £
	Ordinary interim paid	1,706,250	-

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

7 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2010	938,945	751,805	283,152	36,352	2,010,254
Additions	-	14,566	-	-	14,566
Disposals	(938,945)	-	(202,257)	(16,009)	(1,157,211)
At 31 December 2010	-	766,371	80,895	20,343	867,609
Depreciation					
At 1 January 2010	14,202	465,418	256,556	25,090	761,266
On disposals	(14,202)	-	(197,818)	(11,463)	(223,483)
Charge for the year	-	43,760	9,841	1,989	55,590
At 31 December 2010	-	509,178	68,579	15,616	593,373
Net book value					
At 31 December 2010	-	257,193	12,316	4,727	274,236
At 31 December 2009	924,743	286,387	26,596	11,262	1,248,988

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

8 Fixed asset investments

	Unlisted investments £	Shares in group undertakings £	Total £
Cost			
At 1 January 2010 & at 31 December 2010	400,000	27,407	427,407
Provisions for diminution in value			
At 1 January 2010 & at 31 December 2010	-	5,688	5,688
Net book value			
At 31 December 2010	400,000	21,719	421,719
At 31 December 2009	400,000	21,719	421,719

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Wadco Engineering Limited	England	Ordinary	100 00
B Burgess & Sons Limited	England	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2010 £	Profit/(loss) for the year 2010 £
	Principal activity		
Wadco Engineering Limited	Dormant	100	-
B Burgess & Sons Limited	Dormant	21,619	-

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

9	Stocks and work in progress	2010 £	2009 £
	Work in progress	76,916	54,580
	Finished goods and goods for resale	905,336	933,655
		<u>982,252</u>	<u>988,235</u>

The current replacement cost of stocks is not materially different from the historical cost

10	Debtors	2010 £	2009 £
	Trade debtors	1,020,108	959,811
	Other debtors	-	492
	Prepayments and accrued income	22,892	44,283
		<u>1,043,000</u>	<u>1,004,586</u>

11	Creditors' amounts falling due within one year	2010 £	2009 £
	Trade creditors	664,169	714,890
	Amounts owed to parent and fellow subsidiary undertakings	959,738	-
	Amounts owed to subsidiary undertakings	21,618	21,618
	Corporation tax	63,500	6,411
	Other taxes and social security costs	184,154	178,239
	Directors' current accounts	4,295	128,232
	Other creditors	5,179	111,732
	Accruals and deferred income	15,700	15,850
		<u>1,918,353</u>	<u>1,176,972</u>

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

12 Provisions for liabilities

	Deferred tax liability £
Balance at 1 January 2010	165,000
Profit and loss account	(141,000)
	<hr/>
Balance at 31 December 2010	24,000
	<hr/>

The deferred tax liability is made up as follows:

	2010 £	2009 £
Accelerated capital allowances	24,000	165,000
	<hr/>	<hr/>

13 Pension and other post-retirement benefit commitments Defined contribution

	2010 £	2009 £
Contributions payable by the company for the year	16,426	31,496
	<hr/>	<hr/>

14 Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
6,560 Ordinary shares of £1 each	6,560	6,500
	<hr/>	<hr/>

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2010	3,021,345
Profit for the year	270,942
Dividends paid	(1,706,250)
Balance at 31 December 2010	<u>1,586,037</u>

16 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit for the financial year	270,942	119,490
Dividends	(1,706,250)	-
	<u>(1,435,308)</u>	<u>119,490</u>
Proceeds from issue of shares	60	-
	<u>(1,435,248)</u>	<u>119,490</u>
Net (depletion in)/addition to shareholders' funds	(1,435,248)	119,490
Opening shareholders' funds	3,027,843	2,908,353
	<u>1,592,597</u>	<u>3,027,843</u>
Closing shareholders' funds	<u>1,592,597</u>	<u>3,027,843</u>

17 Financial commitments

At 31 December 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2011

	Land and buildings		Other	
	2010	2009	2010	2009
	£	£	£	£
Operating leases which expire				
Within one year	-	-	14,280	478
Between two and five years	-	-	4,776	17,160
In over five years	5,000	5,000	-	-
	<u>5,000</u>	<u>5,000</u>	<u>19,056</u>	<u>17,638</u>

H DAVENPORT & SONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

18 Directors' remuneration	2010 £	2009 £
Remuneration for qualifying services	285,431	173,369
Company pension contributions to defined contribution schemes	108	323
	<u>285,539</u>	<u>173,692</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2009 - 4)

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

Remuneration for qualifying services	<u>80,302</u>	<u>59,080</u>
--------------------------------------	---------------	---------------

19 Employees

Number of employees

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

	2010 Number	2009 Number
Management	7	8
Production and sales staff	39	54
	<u>46</u>	<u>62</u>

Employment costs	2010 £	2009 £
Wages and salaries	1,081,389	1,114,861
Social security costs	78,754	82,956
Other pension costs	16,426	31,496
	<u>1,176,569</u>	<u>1,229,313</u>