R

COMPANY REGISTRATION NUMBER 01050233

ATKINSON EQUIPMENT LIMITED

GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st MARCH 2009

BREBNERS
Chartered Accountants & Registered Auditor
Tubs Hill House
London Road
Sevenoaks
Kent
TN13 1BL

ATKINSON EQUIPMENT LIMITED

GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

CONTENTS **PAGES**

ATKINSON EQUIPMENT LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	C R Atkinson J E Atkinson P J Atkinson S T Pearce
Registered office	Moat Works Moat Road West Wilts Trading Estate Westbury Wilts BA13 4JF
Auditor	Brebners Chartered Accountants & Registered Auditor Tubs Hill House London Road Sevenoaks Kent TN13 1BL

ATKINSON EQUIPMENT LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31st MARCH 2009

The directors have pleasure in presenting their report and the group financial statements of the group for the year ended 31st March 2009.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of marketing engineers. The principal activity of the group during the year was that of marketing engineers, storage, warehousing, distribution and wholesaling agents.

Business Review

The directors note that turnover, gross profit margin, and profit before tax have decreased. However in light of the current economic climate the directors consider that the small decrease shown is acceptable, and is in line with expectations.

The acquisition of Graham Tyson Limited in the previous year has proved successful, resulting in that company posting an increased profit in 2009.

The directors consider that the group has strong potential for future growth.

Financial Key Performance Indicators

	2009	2008
Turnover (£)	**14,285,202**	14,417,882
Gross profit margin (%)	**19.9%**	22.0%
Profit before tax (£)	**529,767**	898,231

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £321,398. Particulars of dividends paid are detailed in note 12 to the group financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group uses various financial instruments including loans, cash, equity capital and various items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The existence of these financial instruments exposes the group to a number of financial risks which are described in more detail below.

The directors review and agree policies for managing the financial risks and these are summarised below.

Market risk

Market risk encompasses three types of risk being price risk, interest rate risk and currency risk.

Price risk

The group operates in a competitive market. If the group does not continue to compete effectively by developing its product range and responding to activities in the market it could lose customers and its results, cash flow and financial conditions could be adversely affected.

Interest rate risk

Surplus cash generated by the group is invested in market bearing deposit accounts. Group bank borrowings incur interest at market rates. The group is therefore exposed to interest rate risk which is managed by a review of facilities available to the group.

Currency risk

The group makes purchases from a small number of suppliers whose invoices are denominated in currencies other than sterling. The most frequently used currencies other than sterling are the Euro and the US Dollar, with separate bank accounts being maintained for each with any currency fluctuation being transferred to the profit and loss account.

Credit risk

The group's principal assets are cash deposits and trade debtors. The credit risk associated with cash deposits is limited as the accounts are held with major UK high street banks. The principal credit risk arises therefore from trade debtors and the group manages closely its exposure to bad debts.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The group policy throughout the year has been to hold cash balances in readily accessible cash deposits and utilise leasing facilities for tangible asset acquisitions.

DIRECTORS

The directors who served the company during the year were as follows:

C R Atkinson
B R Atkinson
J E Atkinson
P J Atkinson
J D Cawte

B R Atkinson passed away on 19th December 2008.
S T Pearce was appointed as a director on 6th April 2009.
J D Cawte resigned as a director on 25th May 2009.

ATKINSON EQUIPMENT LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31st MARCH 2009

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the group financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group financial statements for each financial year. Under that law the directors have elected to prepare the group financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The group financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those group 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 group financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the group financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the directors

S T Pearce
Director

Approved by the directors on 3rd December 2009

ATKINSON EQUIPMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ATKINSON EQUIPMENT LIMITED

YEAR ENDED 31st MARCH 2009

We have audited the group and parent company financial statements ("the group financial statements") of Atkinson Equipment Limited for the year ended 31st March 2009 on pages 7 to 24, which have been prepared on the basis of the accounting policies set out on pages 12 to 14.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the group financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the group financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the group financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the group financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the group financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the group financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the group financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the group financial statements.

ATKINSON EQUIPMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ATKINSON EQUIPMENT LIMITED *(continued)*

YEAR ENDED 31st MARCH 2009

OPINION

In our opinion:

- the group financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31st March 2009 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the group financial statements.

Brebners

BREBNERS
Chartered Accountants
& Registered Auditor

Tubs Hill House
London Road
Sevenoaks
Kent
TN13 1BL

9/12/2009

ATKINSON EQUIPMENT LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st MARCH 2009

	Note	2009 £	2008 £
GROUP TURNOVER	2	14,285,202	14,417,882
Cost of sales		11,448,340	11,243,261
GROSS PROFIT		2,836,862	3,174,621
Administrative expenses		2,282,595	2,157,100
Other operating income	3	(12,825)	(13,818)
OPERATING PROFIT	4	567,092	1,031,339
Interest receivable	7	22,655	21,915
Amounts written off investments	8	(58,266)	(143,153)
Interest payable and similar charges	9	(1,714)	(11,870)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		529,767	898,231
Tax on profit on ordinary activities	10	208,369	246,986
PROFIT FOR THE FINANCIAL YEAR	11	321,398	651,245

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own Profit and Loss Account.

The notes on pages 12 to 24 form part of these group financial statements.

ATKINSON EQUIPMENT LIMITED

GROUP BALANCE SHEET

31st MARCH 2009

	Note	2009 £	2009 £	2008 £	2008 £
FIXED ASSETS					
Intangible assets	13		125,000		250,000
Tangible assets	14		2,000,342		1,724,382
Investments	15		250,000		–
			2,375,342		1,974,382
CURRENT ASSETS					
Stocks	16	1,404,825		1,514,799	
Debtors	17	2,605,798		2,757,862	
Investments	18	41,425		99,807	
Cash at bank and in hand		446,300		662,411	
		4,498,348		5,034,879	
CREDITORS: Amounts falling due within one year	19	2,856,053		3,120,181	
NET CURRENT ASSETS			1,642,295		1,914,698
TOTAL ASSETS LESS CURRENT LIABILITIES			4,017,637		3,889,080
CREDITORS: Amounts falling due after more than one year	20		61,279		67,780
PROVISIONS FOR LIABILITIES					
Deferred taxation	22		34,000		44,900
			3,922,358		3,776,400
CAPITAL AND RESERVES					
Called-up equity share capital	26		3,225		3,225
Other reserves	27		275		275
Profit and loss account	27		3,918,858		3,772,900
SHAREHOLDERS' FUNDS	28		3,922,358		3,776,400

These group financial statements were approved by the directors and authorised for issue on 3rd December 2009, and are signed on their behalf by:

C R Atkinson
Director

Company number 01050233

The notes on pages 12 to 24 form part of these group financial statements.

ATKINSON EQUIPMENT LIMITED

BALANCE SHEET

31st MARCH 2009

	Note	2009 £	2009 £	2008 £	2008 £
FIXED ASSETS					
Tangible assets	14		1,612,735		1,314,019
Investments	15		320,050		70,050
			1,932,785		1,384,069
CURRENT ASSETS					
Stocks	16	394,036		437,501	
Debtors	17	595,817		1,171,026	
Investments	18	41,425		99,807	
Cash at bank and in hand		14,310		145	
		1,045,588		1,708,479	
CREDITORS: Amounts falling due within one year	19	317,814		500,822	
NET CURRENT ASSETS			727,774		1,207,657
TOTAL ASSETS LESS CURRENT LIABILITIES			2,660,559		2,591,726
CREDITORS: Amounts falling due after more than one year	20		–		8,679
PROVISIONS FOR LIABILITIES					
Deferred taxation	22		8,000		15,000
			2,652,559		2,568,047
CAPITAL AND RESERVES					
Called-up equity share capital	26		3,225		3,225
Other reserves	27		275		275
Profit and loss account	27		2,649,059		2,564,547
SHAREHOLDERS' FUNDS			2,652,559		2,568,047

These group financial statements were approved by the directors and authorised for issue on 3rd December 2009, and are signed on their behalf by:

C R Atkinson
Director

Company number 01050233

The notes on pages 12 to 24 form part of these group financial statements.

ATKINSON EQUIPMENT LIMITED

GROUP CASH FLOW CASH FLOW STATEMENT

YEAR ENDED 31st MARCH 2009

	2009		2008	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		**1,024,252**		1,317,846
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	**22,655**		21,915	
Interest paid	**(402)**		–	
Interest element of hire purchase	**(1,312)**		(11,870)	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		**20,941**		10,045
TAXATION		**(304,008)**		(217,178)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
Payments to acquire tangible fixed assets	**(514,755)**		(185,021)	
Receipts from sale of fixed assets	**30,243**		27,500	
Acquisition of investments	**(250,000)**		–	
Acquisition of subsidiary undertaking	**–**		(348,819)	
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		**(734,512)**		(506,340)
EQUITY DIVIDENDS PAID		**(175,440)**		(175,440)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		**(168,767)**		428,933
FINANCING				
Hire purchase	**15,730**		(12,370)	
Investment disposals	**–**		267,024	
Bank loan	**–**		(200,000)	
NET CASH INFLOW FROM FINANCING		**15,730**		54,654
(DECREASE)/INCREASE IN CASH		**(153,037)**		483,587

The notes on pages 12 to 24 form part of these group financial statements.

ATKINSON EQUIPMENT LIMITED

GROUP CASH FLOW CASH FLOW STATEMENT (continued)

YEAR ENDED 31st MARCH 2009

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2009	2008
	£	£
Operating profit	567,092	1,031,339
Amortisation	125,000	96,408
Depreciation	205,761	219,353
Loss/(Profit) on disposal of fixed assets	2,791	(2,309)
Decrease/(increase) in stocks	109,974	(224,173)
Decrease/(increase) in debtors	152,064	(198,295)
(Decrease)/increase in creditors	(138,430)	395,523
Net cash inflow from operating activities	1,024,252	1,317,846

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2009		2008	
	£	£	£	£
(Decrease)/increase in cash in the period	(153,037)		483,587	
Bank loans repaid	–		200,000	
Cash (outflow)/inflow in respect of hire purchase	(15,730)		12,370	
Debt in subsidiary acquisition	–		(28,285)	
		(168,767)		667,672
Change in net funds		(168,767)		667,672
Net funds at 1 April 2008		297,349		(370,323)
Net funds at 31 March 2009		128,582		297,349

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Apr 2008	Cash flows	At 31 Mar 2009
	£	£	£
Net cash:			
Cash in hand and at bank	662,411	(216,111)	446,300
Overdrafts	(259,043)	63,074	(195,969)
	403,368	(153,037)	250,331
Debt:			
Hire purchase agreements	(106,019)	(15,730)	(121,749)
Net funds	297,349	(168,767)	128,582

The notes on pages 12 to 24 form part of these group financial statements.

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

1. **ACCOUNTING POLICIES**

Basis of accounting

The group financial statements have been prepared under the historical cost convention.

Basis of preparation

The consolidated profit and loss account for the year shows a profit after tax of £321,398 and the group balance sheet shows shareholders funds of £3,922,358.

The group is in a strong position for the future, with significant cash reserves amounting to £250,331 (net) at the balance sheet date.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over three years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 230 of the Companies Act 1985.

Turnover

Turnover excludes inter-company transactions and value added tax and represents the amounts receivable in the ordinary course of business from goods and services provided.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - over three years

Depreciation

Depreciation is calculated so as to write off the cost or revaluation of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - between 10% and 33% per annum straight line
Fixtures & Fittings - between 10% and 33% per annum straight line
Motor Vehicles - between 25% and 35% per annum straight line
Long Leasehold Buildings - over the term of the lease

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

1. ACCOUNTING POLICIES *(continued)*

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Stock and work in progress

Stock and work in progress are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the consolidated profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the consolidated profit and loss account on a straight line basis over the lease term.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the consolidated profit and loss account.

Deferred taxation

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

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.

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

1. **ACCOUNTING POLICIES** ***(continued)***

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Investments

Investments are stated at the lower of cost and net realisable value.

2. **TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	2009	2008
	£	£
United Kingdom	**14,285,202**	14,417,882

An analysis by class of business is given below:

	2009	2008
	£	£
Marketing engineers	**2,028,960**	2,297,443
Distribution and wholesaling agents	**12,256,242**	12,120,439
	14,285,202	14,417,882

3. **OTHER OPERATING INCOME**

	2009	2008
	£	£
Rent receivable	**12,825**	13,818

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2009	2008
	£	£
Amortisation of intangible assets	125,000	96,408
Depreciation of owned fixed assets	161,444	180,670
Depreciation of assets held under hire purchase agreements	44,317	42,870
Loss/(Profit) on disposal of fixed assets	2,791	(2,309)
Auditor's remuneration		
- as auditor	30,000	30,000
- for other services	10,000	10,000
Operating lease costs:		
- Other	101,683	103,726
Net (profit)/loss on foreign currency translation	(316)	14,523

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2009	2008
	No	No
Direct staff	51	61
Administrative staff	32	32
	83	93

The aggregate payroll costs of the above were:

	2009	2008
	£	£
Wages and salaries	2,177,338	2,214,898
Social security costs	195,560	189,199
Other pension costs	16,643	19,205
	2,389,541	2,423,302

6. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2009	2008
	£	£
Emoluments receivable	142,920	147,927
Value of company pension contributions to money purchase schemes	3,000	3,000
	145,920	150,927

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

6. DIRECTORS' EMOLUMENTS *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows:

	2009 No	2008 No
Money purchase schemes	1	1

7. INTEREST RECEIVABLE

	2009 £	2008 £
Bank interest receivable	13,563	17,316
Other interest	9,092	4,599
	22,655	21,915

8. AMOUNTS WRITTEN OFF INVESTMENTS

	2009 £	2008 £
Impairment of other investments	58,266	143,153

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Finance charges	1,312	11,870
Other similar charges payable	402	–
	1,714	11,870

10. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009 £	2008 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 28% (2008 - 30%)	220,574	312,779
(Over)/under provision in prior year	(1,305)	3,148
Total current tax	219,269	315,927
Deferred tax:		
Origination and reversal of timing differences (note 22)		
Capital allowances	(10,900)	(68,941)
Tax on profit on ordinary activities	208,369	246,986

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

10. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2008 - 30%).

	2009 £	2008 £
Profit on ordinary activities before taxation	529,767	898,231
Profit on ordinary activities by rate of tax	148,334	269,468
Disallowable expenses	67,783	80,287
Depreciation in excess of capital allowances	11,177	4,799
Marginal rate relief	(6,720)	(41,775)
(Over)/under provision in prior year	(1,305)	3,148
Total current tax (note 10(a))	219,269	315,927

11. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £259,952 (2008 - £424,187).

12. DIVIDENDS

Equity dividends

	2009 £	2008 £
Paid		
Equity dividends on ordinary shares	175,440	175,440

13. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1st April 2008 and 31st March 2009	346,408
AMORTISATION	
At 1st April 2008	96,408
Charge for the year	125,000
At 31st March 2009	221,408
NET BOOK VALUE	
At 31st March 2009	125,000
At 31st March 2008	250,000

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

14. TANGIBLE FIXED ASSETS

Group	Freehold Investment Properties	Long Leasehold Buildings	Plant, Furniture and Office Equipment	Fixtures & Fittings	Motor Vehicles	Total
	£	£	£	£	£	£
COST OR VALUATION						
At 1 Apr 2008	564,750	639,911	1,330,906	204,968	784,274	3,524,809
Additions	333,628	–	66,499	–	114,628	514,755
Disposals	–	–	(100,960)	–	(176,952)	(277,912)
At 31 Mar 2009	898,378	639,911	1,296,445	204,968	721,950	3,761,652
DEPRECIATION						
At 1 Apr 2008	–	130,794	1,095,807	166,201	407,625	1,800,427
Charge for the year	–	7,609	81,962	8,889	107,301	205,761
On disposals	–	–	(96,352)	–	(148,526)	(244,878)
At 31 Mar 2009	–	138,403	1,081,417	175,090	366,400	1,761,310
NET BOOK VALUE						
At 31 Mar 2009	898,378	501,508	215,028	29,878	355,550	2,000,342
At 31 Mar 2008	564,750	509,117	235,099	38,767	376,649	1,724,382

The freehold investment properties were valued by the directors and are shown at their open market value at 31st March 2009 of £898,378.

If freehold market properties were valued at original cost they would be shown at £898,378 (2008: £564,750).

Hire purchase agreements

Included within the net book value of £2,000,342 is £147,359 (2008 - £133,190) relating to assets held under hire purchase agreements. The depreciation charged to the group financial statements in the year in respect of such assets amounted to £44,317 (2008 - £42,870).

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

14. TANGIBLE FIXED ASSETS *(continued)*

Company

	Freehold Investment Properties £	Long Leasehold Buildings £	Plant, Furniture and Office Equipment £	Motor Vehicles £	Total £
COST OR VALUATION					
At 1 April 2008	564,750	639,911	1,177,722	125,343	2,507,726
Additions	333,628	–	66,499	–	400,127
Disposals	–	–	(100,960)	(48,479)	(149,439)
At 31 March 2009	898,378	639,911	1,143,261	76,864	2,758,414
DEPRECIATION					
At 1 April 2008	–	130,794	983,883	79,030	1,193,707
Charge for the year	–	7,609	69,397	9,645	86,651
On disposals	–	–	(96,352)	(38,327)	(134,679)
At 31 March 2009	–	138,403	956,928	50,348	1,145,679
NET BOOK VALUE					
At 31 March 2009	898,378	501,508	186,333	26,516	1,612,735
At 31 March 2008	564,750	509,117	193,839	46,313	1,314,019

Hire purchase agreements

Included within the net book value of £1,612,735 is £20,202 (2008 - £26,936) relating to assets held under hire purchase agreements. The depreciation charged to the group financial statements in the year in respect of such assets amounted to £6,734 (2008 - £8,978).

15. INVESTMENTS

Group

	Unquoted Investment £
COST	
Additions	250,000
At 31st March 2009	250,000
NET BOOK VALUE	
At 31st March 2009	250,000
At 31st March 2008	-

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

Company	Group companies	Unquoted Investment	
	£	£	£
COST			
At 1st April 2008	**70,050**	**-**	**70,050**
Additions	**-**	**250,000**	**250,000**
At 31st March 2009	**70,050**	**250,000**	**320,050**
NET BOOK VALUE			
At 31st March 2009	**70,050**	**250,000**	**320,050**
At 31st March 2008	70,050	-	70,050

The investment in the subsidiary undertaking represents the cost of 100% of the issued share capital of Taylor Davis Limited, a company registered in England and Wales. The principal activity of Taylor Davis Limited is that of distribution and wholesaling agents.

Taylor Davis Limited holds 100% of the issued share capital of Graham Tyson Limited, a company registered in England and Wales. The principal activity of Graham Tyson Limited is that of storage, warehousing, distribution and wholesaling agents.

16. STOCKS

	Group		Company	
	2009	2008	**2009**	2008
	£	£	**£**	£
Finished goods	**1,404,825**	1,514,799	**394,036**	437,501

17. DEBTORS

	Group		Company	
	2009	2008	**2009**	2008
	£	£	**£**	£
Trade debtors	**2,268,499**	2,562,629	**283,939**	421,477
Amounts owed by group undertakings	**–**	–	**16,835**	593,349
Other debtors	**73,198**	–	**73,196**	–
Directors current accounts	**194,816**	121,000	**194,816**	121,000
Prepayments and accrued income	**69,285**	74,233	**27,031**	35,200
	2,605,798	2,757,862	**595,817**	1,171,026

18. INVESTMENTS

	Group		Company	
	2009	2008	**2009**	2008
	£	£	**£**	£
Other investments	**41,425**	99,807	**41,425**	99,807

19. CREDITORS: Amounts falling due within one year

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Overdrafts	195,969	259,043	20,511	121,868
Trade creditors	1,754,128	1,802,117	59,328	89,964
Amounts owed to group undertakings	–	–	8,148	–
Hire purchase agreements	60,470	38,239	9,632	13,014
Other creditors including taxation and social security:				
Corporation tax	234,502	319,241	14,102	66,546
PAYE and social security	73,609	86,381	30,501	34,307
VAT	304,029	417,391	31,904	53,477
Accruals and deferred income	233,346	197,769	143,688	121,646
	2,856,053	3,120,181	317,814	500,822

The bank overdraft is secured by a fixed charge on the group's freehold investment properties and long leasehold buildings and by a fixed and floating charge over the assets and undertakings of the group.

20. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Hire purchase agreements	61,279	67,780	–	8,679

21. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Amounts payable within 1 year	60,470	38,239	9,632	13,014
Amounts payable between 1 and 2 years	61,279	67,780	-	8,679
	121,749	106,019	9,632	21,693

22. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Provision brought forward	44,900	113,841	15,000	83,650
Decrease in provision	(10,900)	(68,941)	(7,000)	(68,650)
Provision carried forward	34,000	44,900	8,000	15,000

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

22. DEFERRED TAXATION *(continued)*

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

Group	**2009**		2008	
	Provided	**Unprovided**	Provided	Unprovided
	£	**£**	£	£
Excess of taxation allowances over depreciation on fixed assets	**34,000**	-	44,900	-

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of:

Company	**2009**		2008	
	Provided	**Unprovided**	Provided	Unprovided
	£	**£**	£	£
Excess of taxation allowances over depreciation on fixed assets	**8,000**	-	15,000	-

23. COMMITMENTS UNDER OPERATING LEASES

At 31st March 2009 the group had annual commitments under non-cancellable operating leases as set out below.

Group	**2009**		2008	
	Land and buildings	**Other items**	Land and buildings	Other items
	£	**£**	£	£
Operating leases which expire:				
Within 1 year	-	-	-	15,432
Within 2 to 5 years	**85,649**	-	57,365	28,886
	85,649	-	57,365	44,318

24. CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

The company has guaranteed the bank overdrafts of the subsidiary undertakings which are reflected in the consolidated accounts.

The company is part of group VAT scheme with a subsidiary undertaking, both companies are therefore jointly and severally liable for the VAT liability of the Group.

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

25. RELATED PARTY TRANSACTIONS

Transactions

A loan was provided to B R Atkinson, a director, in the amount of £194,816 (2008: £121,000). The loan bears interest at base rate plus 1%. The loan is unsecured and does not have a defined repayment date. The maximum amount outstanding during the year was £194,816. Interest of £9,092 was paid to the company during the year.

A loan was provided to C R Atkinson, a director, in the amount of £15,231 (2008: £17,832). The loan is unsecured and does not have a defined repayment date. The maximum amount outstanding during the year was £17,832.

A loan was provided to B R Atkinson, a director, in the amount of £4,339 (2008: £273). The loan is unsecured and does not have a defined repayment date. The maximum amount outstanding during the year was £4,339.

During the year the company acquired an investment property for £327,353 from B R Atkinson and P J Atkinson, directors.

Dividends paid in the year of £175,440 were paid to B R Atkinson, P J Atkinson and C R Atkinson, directors.

In accordance with FRS8, exemption is taken not to disclose transactions in the year between group undertakings where 90% or more of the voting rights are controlled within the group and the results of the group undertakings are included in these consolidated financial statements.

Control

The company is under the control and ultimate control of C R Atkinson.

26. SHARE CAPITAL

Authorised share capital:

	2009	2008
	£	£
5,000 Ordinary shares of £1 each	5,000	5,000

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
Ordinary shares of £1 each	3,225	3,225	3,225	3,225

ATKINSON EQUIPMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2009

27. RESERVES

Group

	Capital redemption reserve	Profit and loss account
	£	£
Balance brought forward	275	3,772,900
Profit for the year	–	321,398
Equity dividends	–	(175,440)
Balance carried forward	275	3,918,858

Company

	Capital redemption reserve	Profit and loss account
	£	£
Balance brought forward	275	2,564,547
Profit for the year	–	259,952
Equity dividends	–	(175,440)
Balance carried forward	275	2,649,059

28. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Profit for the financial year	321,398	651,245
Equity dividends	(175,440)	(175,440)
Net addition to shareholders' funds	145,958	475,805
Opening shareholders' funds	3,776,400	3,300,595
Closing shareholders' funds	3,922,358	3,776,400