

Registered number  
1392635

**Clayton Finance Limited**

Report and Accounts

31 December 2011

**API Partnership Limited t/a Chandler & Georges**  
Chartered Accountants & Registered Auditors

75, Westow Hill  
London  
SE19 1TX  
Ph 02087612213  
web: [www.cgca.co.uk](http://www.cgca.co.uk)

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**Clayton Finance Limited  
Company Information**

**Director**

Mr S Datwani

**Secretary**

Mr S Datwani

**Auditors**

API Partnership Limited t/a Chandler & Georges  
75, Westow Hill  
London  
SE19 1TX

**Bankers**

HSBC Bank Plc  
90 Baker Street  
London  
W1U 6AX

Syndicate Bank  
2A Eastcheap, London  
EC3M 1LH

**Registered office**

1st Floor, Highlight House  
57 Margaret Street  
London  
W1W 8SJ

**Registered number**

1392635

The director presents his report and accounts for the year ended 31 December 2011

**Principal activities**

The company's principal activity during year continued to be the trading in and export of raw materials and finished products

**Review of business**

Both the level of business and year end position were satisfactory The company continues to benefit from its long established relationships with its customers and is well placed to maintain and improve upon its profitability

**Future developments**

The director aims to maintain the management policies which have resulted in the company's success in recent years

**Financial instrument risk**

Financial instruments are carefully managed to ensure that there is little or no liquidity risk The company's principal financial instruments comprise of debtors and creditors Credit and liquidity risk is minimised by ensuring credit terms are on Letter of Credit and shorter for debtors than for creditors on open credit

All sales are to overseas customers and exchange risk is minimal as most purchases and corresponding sales are in the same currency Sufficient funds are held in respective foreign currencies for all other transactions

**Financial results and dividends**

The profit for the year, after taxation, amounted to £193,864 (2010 £160,755) Total dividends proposed and paid for the year were £100,000 with no final dividend recommended

**Directors**

The following person served as director during the year


Mr S Datwani

**Disclosure of information to auditors**

The director confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he 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 auditor is aware of that information

This report was approved by the board on 14 September 2012



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Mr S Datwani  
Director

## **Clayton Finance Limited**

### **Statement of Director's Responsibilities**

The director is responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the director to prepare accounts for each financial year. Under that law the director has elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts 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 accounts, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the accounts comply with the Companies Act 2006. He is 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

**Clayton Finance Limited**  
**Independent auditors' report**  
**to the shareholders of Clayton Finance Limited**

We have audited the accounts of Clayton Finance Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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 an 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 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 Director's Responsibilities, the director is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit**

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

**Opinion on the accounts**

In our opinion the accounts

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit 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 matters prescribed by the Companies Act 2006**

In our opinion the information given in the Director's Report for the financial year for which the accounts are prepared is consistent with the accounts.

**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 accounts 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
- the director was not entitled to prepare the accounts and the director's report in accordance with the small companies regime



Panos Karageorghis (Senior Statutory Auditor)  
for and on behalf of  
API Partnership Limited t/a Chandler & Georges  
Accountants and Statutory Auditors  
14 September 2012

75, Westow Hill  
London  
SE19 1TX  
Ph 02087612213  
web [www.cgca.co.uk](http://www.cgca.co.uk)

**Clayton Finance Limited**  
**Profit and Loss Account**  
**for the year ended 31 December 2011**

	Notes	2011 £	2010 £
Turnover	2	16,371,259	11,046,178
Cost of sales		(14,836,892)	(9,597,863)
<b>Gross profit</b>		<u>1,534,367</u>	<u>1,448,315</u>
Distribution costs		(446,626)	(352,173)
Administrative expenses		(841,648)	(803,712)
<b>Operating profit</b>	4	<u>246,093</u>	<u>292,430</u>
Exceptional items			
loss on the disposal of investments	5	-	(67,518)
		<u>246,093</u>	<u>224,912</u>
Interest receivable		17,534	5,071
Interest payable	8	(12,953)	(15,480)
<b>Profit on ordinary activities before taxation</b>		<u>250,674</u>	<u>214,503</u>
Tax on profit on ordinary activities	9	(56,810)	(53,748)
<b>Profit for the financial year</b>		<u>193,864</u>	<u>160,755</u>

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit for the above two financial years

**Clayton Finance Limited**  
**Balance Sheet**  
**as at 31 December 2011**

**Registered number**  
**1392635**

	<b>Notes</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	10	20,855	29,840
<b>Current assets</b>			
Debtors	11	4,068,113	3,514,321
Cash at bank and in hand		<u>1,588,578</u>	<u>1,727,778</u>
		5,656,691	5,242,099
<b>Creditors: amounts falling due within one year</b>			
	12	<u>(3,073,620)</u>	<u>(2,755,064)</u>
<b>Net current assets</b>		<u>2,583,071</u>	<u>2,487,035</u>
<b>Total assets less current liabilities</b>			
		<u>2,603,926</u>	<u>2,516,875</u>
<b>Creditors: amounts falling due after more than one year</b>			
	13	-	(6,813)
<b>Net assets</b>		<u>2,603,926</u>	<u>2,510,062</u>
<b>Capital and reserves</b>			
Called up share capital	15	200,000	200,000
Profit and loss account	16	2,403,926	2,310,062
<b>Shareholders' funds</b>	18	<u>2,603,926</u>	<u>2,510,062</u>



Mr S Datwani  
 Director

Approved by the board on 14 September 2012

**Clayton Finance Limited**  
**Cash Flow Statement**  
**for the year ended 31 December 2011**

	Notes	2011 £	2010 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		246,093	292,430
Depreciation charges		14,575	14,084
Increase in debtors		(553,792)	(1,133,785)
Increase in creditors		332,721	1,255,998
<b>Net cash inflow from operating activities</b>		<u>39,597</u>	<u>428,727</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow from operating activities</b>		39,597	428,727
<b>Returns on investments and servicing of finance</b>	19	4,581	(10,409)
<b>Taxation</b>		(68,705)	(52,494)
<b>Capital expenditure</b>	19	<u>(5,590)</u>	<u>(499)</u>
		(30,117)	365,325
<b>Equity dividends paid</b>		<u>(100,000)</u>	<u>(80,000)</u>
		(130,117)	285,325
<b>Financing</b>	19	(9,083)	(9,083)
<b>(Decrease)/increase in cash</b>		<u>(139,200)</u>	<u>276,242</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>(Decrease)/increase in cash in the period</b>		(139,200)	276,242
<b>Decrease in debt and lease financing</b>		9,083	9,083
<b>Change in net debt</b>	20	<u>(130,117)</u>	<u>285,325</u>
<b>Net funds at 1 January</b>		<u>1,711,882</u>	<u>1,426,557</u>
<b>Net funds at 31 December</b>		<u>1,581,765</u>	<u>1,711,882</u>



**Clayton Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2011**

**1 Accounting policies**

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Leasehold land and buildings	over the lease term
Plant and machinery	over 5 years

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates

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

**2 Turnover**

Turnover represents the invoiced value of goods and services supplied by company, net of value added tax and trade discounts

**3 Interest receivable and similar income**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Interest receivable	17,534	5,071
	<u>17,534</u>	<u>5,071</u>

**Clayton Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2011**

<b>4 Operating profit</b>	<b>2011</b>	<b>2010</b>
	£	£
This is stated after charging		
Depreciation of owned fixed assets	7,000	6,509
Depreciation of assets held under finance leases and hire purchase contracts	7,575	7,575
Operating lease rentals - land buildings	58,902	56,244
Auditors' remuneration for audit services	8,500	8,500
	<u>8,500</u>	<u>8,500</u>
<b>5 Exceptional items</b>	<b>2011</b>	<b>2010</b>
	£	£
Loss on disposal of investments	-	(67,518)
	<u>-</u>	<u>(67,518)</u>
<b>6 Director's emoluments</b>	<b>2011</b>	<b>2010</b>
	£	£
Emoluments	44,260	90,397
	<u>44,260</u>	<u>90,397</u>
<b>7 Staff costs</b>	<b>2011</b>	<b>2010</b>
	£	£
Wages and salaries	220,443	207,657
Social security costs	29,110	30,120
Other pension costs	6,037	6,037
	<u>255,590</u>	<u>243,814</u>
<b>Average number of employees during the year</b>	<b>Number</b>	<b>Number</b>
Administration	5	5
Sales	4	5
	<u>9</u>	<u>10</u>
<b>8 Interest payable</b>	<b>2011</b>	<b>2010</b>
	£	£
Bank loans and overdrafts	10,836	14,162
Other loans	1,363	564
Finance charges payable under finance leases and hire purchase contracts	754	754
	<u>12,953</u>	<u>15,480</u>

**Clayton Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2011**

<b>9 Taxation</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Current tax		
UK corporation tax on profits of the period	56,810	53,748
	<u>56,810</u>	<u>53,748</u>
Tax on profit on ordinary activities	<u>56,810</u>	<u>53,748</u>

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<u>250,674</u>	<u>214,503</u>
Standard rate of corporation tax in the UK	20%	21 00%
	<b>£</b>	<b>£</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax	50,135	45,046
Effects of		
Expenses not deductible for tax purposes	5,605	6,799
Capital allowances for period in excess of depreciation	1,070	1,903
	<u>56,810</u>	<u>53,748</u>
Current tax charge for period	<u>56,810</u>	<u>53,748</u>

**10 Tangible fixed assets**

	<b>Plant and machinery</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2011	139,918
Additions	<u>5,590</u>
At 31 December 2011	<u>145,508</u>
<b>Depreciation</b>	
At 1 January 2011	110,078
Charge for the year	<u>14,575</u>
At 31 December 2011	<u>124,653</u>
<b>Net book value</b>	
At 31 December 2011	<u>20,855</u>
At 31 December 2010	<u>29,840</u>

**Clayton Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2011**

<b>11 Debtors</b>			<b>2011</b>	<b>2010</b>
			£	£
Trade debtors			3,178,612	2,689,975
Other debtors			844,182	779,224
Prepayments and accrued income			45,319	45,122
			<u>4,068,113</u>	<u>3,514,321</u>
<b>12 Creditors: amounts falling due within one year</b>			<b>2011</b>	<b>2010</b>
			£	£
Obligations under finance lease and hire purchase contracts			6,813	9,083
Trade creditors			2,911,796	2,641,736
Corporation tax			27,535	39,430
Other taxes and social security costs			-	421
Other creditors			52,941	16,513
Accruals and deferred income			74,535	47,881
			<u>3,073,620</u>	<u>2,755,064</u>
<b>13 Creditors: amounts falling due after one year</b>			<b>2011</b>	<b>2010</b>
			£	£
Obligations under finance lease and hire purchase contracts			<u>-</u>	<u>6,813</u>
<b>14 Obligations under finance leases and hire purchase contracts</b>			<b>2011</b>	<b>2010</b>
			£	£
Amounts payable				
Within one year			6,813	9,083
Within two to five years			-	6,813
			<u>6,813</u>	<u>15,896</u>
<b>15 Share capital</b>			<b>2011</b>	<b>2010</b>
			No	No
Allotted, called up and fully paid				
Ordinary shares of	200,000	200,000		
£1 each			<u>200,000</u>	<u>200,000</u>

**Clayton Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2011**

<b>16 Profit and loss account</b>	<b>2011</b>	
	<b>£</b>	
At 1 January 2011	2,310,062	
Profit for the financial year	193,864	
Dividends	(100,000)	
	<u>2,403,926</u>	
At 31 December 2011		
<b>17 Dividends</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Dividends for which the company became liable during the year		
Dividends paid	<u>100,000</u>	<u>80,000</u>
<b>18 Reconciliation of movement in shareholders' funds</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
At 1 January	2,510,062	2,429,307
Profit for the financial year	193,864	160,755
Dividends	(100,000)	(80,000)
	<u>2,603,926</u>	<u>2,510,062</u>
At 31 December		
<b>19 Gross cash flows</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	17,534	5,071
Interest paid	(12,199)	(14,726)
Interest element of finance lease rental payments	(754)	(754)
	<u>4,581</u>	<u>(10,409)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	<u>(5,590)</u>	<u>(499)</u>
<b>Financing</b>		
Capital element of finance lease rental payments	<u>(9,083)</u>	<u>(9,083)</u>

**Clayton Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2011**

**20 Analysis of changes in net debt**

	At 1 Jan 2011 £	Cash flows £	Non-cash changes £	At 31 Dec 2011 £
Cash at bank and in hand	1,727,778	(139,200)		1,588,578
Finance leases	(15,896)	9,083		(6,813)
<b>Total</b>	<u>1,711,882</u>	<u>(130,117)</u>	<u>-</u>	<u>1,581,765</u>

**21 Other financial commitments**

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2011 £	Land and buildings 2010 £	Other 2011 £	Other 2010 £
Operating leases which expire within two to five years	<u>58,902</u>	<u>57,437</u>	<u>-</u>	<u>-</u>

**22 Related parties**

**2011**  
**£**                      **2010**  
**£**

**Mr S Datwani**  
**Company officer**

Included in Other creditors are balances owed to Mr S Datwani, a director of the company. During the year the company paid dividends of £51,000 to Mr S Datwani.

Amount due to the related party 3,941                      1,150

**Mr B Datwani**  
**Former company officer**

Included in Other debtors are balance owed by Mr B D Datwani, an employee and former director of the company.

Amount due from the related party 308,387                      163,650

**23 Controlling party**

The company is controlled by Mr S Datwani.