

Report of the Directors and
Financial Statements for the Year Ended 31st December 2012
for
Tammet Systems Limited

Tammet Systems Limited (Registered number: 07254120)

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for the Year Ended 31st December 2012

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Tammet Systems Limited

Company Information
for the Year Ended 31st December 2012

DIRECTORS: Mr G B Taylor
Mr J S G Hardy

SECRETARY: MJC Secretarial Services Limited

REGISTERED OFFICE: 149-151 Mortimer Street
Herne Bay
Kent
CT6 5HA

REGISTERED NUMBER: 07254120 (England and Wales)

AUDITORS: Calcutt Matthews
Registered Auditors
Cardine House
30 North Street
Ashford
Kent
TN24 8JR

Tammet Systems Limited (Registered number: 07254120)

Report of the Directors
for the Year Ended 31st December 2012

The directors present their report with the financial statements of the company for the year ended 31st December 2012.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of construction products and systems.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2012 to the date of this report.

Mr G B Taylor
Mr J S G Hardy

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.

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, Calcutt Matthews, 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:

MJC Secretarial Services Limited - Secretary

21st February 2013

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Report of the Independent Auditors to the Members of
Tammet Systems Limited

We have audited the financial statements of Tammet Systems Limited for the year ended 31st December 2012 on pages four to eight. 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 and express an opinion on 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. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 2012 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 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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.

Nick Hume (Senior Statutory Auditor)
for and on behalf of Calcutt Matthews
Registered Auditors
Cardine House
30 North Street
Ashford
Kent
TN24 8JR

21st February 2013

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Tammet Systems Limited (Registered number: 07254120)Profit and Loss Account
for the Year Ended 31st December 2012

	Notes	31.12.12 £	31.12.11 £
TURNOVER		1,019,898	644,659
Cost of sales		<u>646,320</u>	<u>388,348</u>
GROSS PROFIT		<u>373,578</u>	<u>256,311</u>
Administrative expenses		<u>221,113</u>	<u>156,921</u>
OPERATING PROFIT	2	<u>152,465</u>	<u>99,390</u>
Interest payable and similar charges		<u>4,368</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		148,097	99,390
Tax on profit on ordinary activities	3	<u>32,569</u>	<u>14,744</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>115,528</u></u>	<u><u>84,646</u></u>

Tammet Systems Limited (Registered number: 07254120)Balance Sheet
31st December 2012

	Notes	31.12.12		31.12.11	
		£	£	£	£
FIXED ASSETS					
Tangible assets	5		19,783		5,217
CURRENT ASSETS					
Stocks		250,123		194,698	
Debtors	6	252,043		282,266	
Cash at bank and in hand		<u>67,031</u>		<u>27,361</u>	
		569,197		504,325	
CREDITORS					
Amounts falling due within one year	7	<u>517,195</u>		<u>448,632</u>	
NET CURRENT ASSETS			<u>52,002</u>		<u>55,693</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			71,785		60,910
CREDITORS					
Amounts falling due after more than one year	8		53,432		53,472
NET ASSETS			<u>18,353</u>		<u>7,438</u>
CAPITAL AND RESERVES					
Called up share capital	10		25,002		25,002
Profit and loss account	11		<u>(6,649)</u>		<u>(17,564)</u>
SHAREHOLDERS' FUNDS			<u>18,353</u>		<u>7,438</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 21st February 2013 and were signed on its behalf by:

Mr G B Taylor - Director

Mr J S G Hardy - Director

Tammet Systems Limited (Registered number: 07254120)

Notes to the Financial Statements
for the Year Ended 31st December 2012

1. ACCOUNTING POLICIES

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, 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.

Plant and machinery etc - 25% on reducing balance

Stocks

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

Hire purchase and leasing commitments

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

2. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.12	31.12.11
	£	£
Depreciation - owned assets	6,790	1,741
Auditors remuneration	<u>3,750</u>	<u>-</u>
Directors' remuneration and other benefits etc	<u>24,000</u>	<u>24,000</u>

3. TAXATION

Analysis of the tax charge

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

	31.12.12	31.12.11
	£	£
Current tax:		
UK corporation tax	<u>32,569</u>	<u>14,744</u>
Tax on profit on ordinary activities	<u>32,569</u>	<u>14,744</u>

4. DIVIDENDS

	31.12.12	31.12.11
	£	£
Ordinary A Non Voting share of £1 Interim	61,687	40,000
Ordinary B Non Voting share of £1 Interim	<u>42,926</u>	<u>28,000</u>
	<u>104,613</u>	<u>68,000</u>

Tammet Systems Limited (Registered number: 07254120)

Notes to the Financial Statements - continued
for the Year Ended 31st December 2012

5.	TANGIBLE FIXED ASSETS		Plant and machinery etc £
	COST		
	At 1st January 2012		7,865
	Additions		<u>21,356</u>
	At 31st December 2012		<u>29,221</u>
	DEPRECIATION		
	At 1st January 2012		2,648
	Charge for year		<u>6,790</u>
	At 31st December 2012		<u>9,438</u>
	NET BOOK VALUE		
	At 31st December 2012		<u>19,783</u>
	At 31st December 2011		<u>5,217</u>
6.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31.12.12	31.12.11
		£	£
	Trade debtors	315,834	254,666
	Factoring control account	(97,246)	-
	Rent deposit	500	500
	Lease deposit	1,000	-
	Directors' current accounts	27,000	27,000
	Prepayments	<u>4,955</u>	<u>100</u>
		<u>252,043</u>	<u>282,266</u>
7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31.12.12	31.12.11
		£	£
	Hire purchase contracts	2,292	-
	Trade creditors	430,532	390,500
	Tax	32,567	14,744
	Social security and other taxes	170	1,303
	VAT	45,780	35,833
	Visa card	(48)	(48)
	Accrued expenses	<u>5,902</u>	<u>6,300</u>
		<u>517,195</u>	<u>448,632</u>
8.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
		31.12.12	31.12.11
		£	£
	Hire purchase contracts	3,097	-
	Amounts owed to group undertakings	<u>50,335</u>	<u>53,472</u>
		<u>53,432</u>	<u>53,472</u>

Tammet Systems Limited (Registered number: 07254120)

Notes to the Financial Statements - continued
for the Year Ended 31st December 2012

9. OPERATING LEASE COMMITMENTS

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

	31.12.12 £	31.12.11 £
Expiring:		
Between one and five years	<u>24,561</u>	<u>18,561</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.12 £	31.12.11 £
25,000	Ordinary	£1	25,000	25,000
1	Ordinary A Non Voting	£1	1	1
1	Ordinary B Non Voting	£1	1	1
			<u>25,002</u>	<u>25,002</u>

11. RESERVES

	Profit and loss account £
At 1st January 2012	(17,564)
Profit for the year	115,528
Dividends	<u>(104,613)</u>
At 31st December 2012	<u>(6,649)</u>

12. ULTIMATE PARENT COMPANY

The ultimate parent company is Tammet Oy, a company registered in Finland.

13. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 31st December 2012 and 31st December 2011:

	31.12.12 £	31.12.11 £
Mr G B Taylor		
Balance outstanding at start of year	15,000	15,000
Amounts repaid	-	-
Balance outstanding at end of year	<u>15,000</u>	<u>15,000</u>
Mr J S G Hardy		
Balance outstanding at start of year	12,000	12,000
Amounts repaid	-	-
Balance outstanding at end of year	<u>12,000</u>	<u>12,000</u>

14. RELATED PARTY DISCLOSURES

Cost of sales includes payments totalling £191,872 (2011 £476,775) made to Tammet Oy the parent company.

Dividends totalling £104,613 (2011 £680,000) were paid to the directors.

