

Boodle & Dunthorne Limited

Report And Financial Statements

28 February 2014

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COMPANY INFORMATION

Directors	N A Wainwright (Chairman) M J Wainwright (Managing Director) F J Wainwright E A Wainwright J A Wainwright J B Amos
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Company secretary	M J Wainwright
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Registered office	178 New Bond Street London W1S 4RH
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Independent auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW
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Bankers	Barclays Bank plc 48b - 50 Lord Street Liverpool L2 1TD
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Registered number	00472968
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DIRECTORS' REPORT
for the year ended 28 February 2014

The directors present their report and the financial statements for the year ended 28 February 2014.

Results and dividends

The profit for the year, after taxation, amounted to £6,613,780 (2013 - £4,895,071).

Particulars of dividends paid are detailed in note 19 to the accounts.

Directors

The directors who served during the year were:

N A Wainwright (Chairman)
M J Wainwright (Managing Director)
F J Wainwright
E A Wainwright
J A Wainwright
J B Amos

Charitable contributions

During the year the company made charitable contributions of £345,303 (2013 - £316,664).

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report 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 judgments and accounting 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 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 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

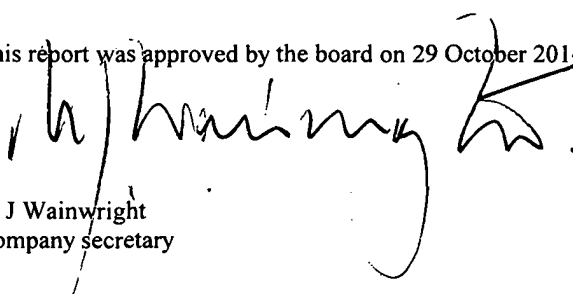
- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DIRECTORS' REPORT
for the year ended 28 February 2014

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 October 2014 and signed on its behalf.


M J Wainwright
Company secretary

STRATEGIC REPORT
for the year ended 28 February 2014

Principal activities and business review

The principal activity of the company continues to be that of designer jewellers.

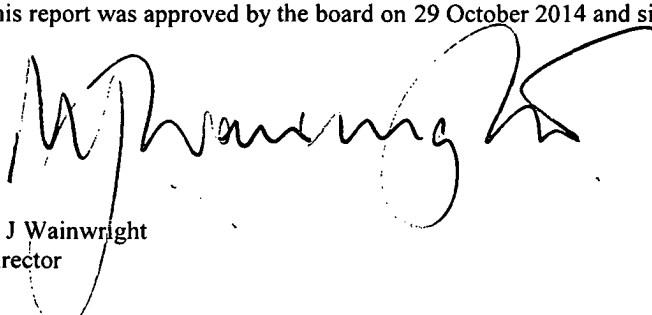
The company's balance sheet as detailed on page 6 shows a strong position with shareholders' funds amounting to £40,054,287 (2013 - £36,523,507). During the year the company made sales to overseas clients around the world of £18,534,764 (2013 - £12,696,063) which the directors feel illustrates an increased international interest in the brand. The directors consider the company to be well placed to take advantage of opportunities arising in the future.

Principal risks and uncertainties

The directors of the company continue to take an extremely conservative view of risk, as can be seen from the balance sheet and the absence of borrowing. Macro risks to the business such as the collapse of the diamond price or a terrorist attack on London exist but the former is considered most unlikely and it is hoped that the latter would not leave a lasting impact.

The company is embarking on significant expansion to its Bond Street showroom over the course of 2015, which is coming at high expense but the directors consider that this represents a rare opportunity to gain more retail space in the West End. The only other risk facing the company is the termination of the lease in Sloane Street, which is an extremely successful business for the company; relocation plans are however already in place in this part of London.

This report was approved by the board on 29 October 2014 and signed on its behalf.



M J Wainwright
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BOODLE & DUNTHORNE LIMITED

We have audited the financial statements of Boodle & Dunthorne Limited for the year ended 28 February 2014, set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Directors' responsibilities statement, 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 Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 28 February 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Strategic report and the Directors' report 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.

Philip Vipond (Senior statutory auditor)

for and on behalf of

Rees Pollock, Statutory Auditor

10 November 2014

PROFIT AND LOSS ACCOUNT
for the year ended 28 February 2014

	Note	2014 £	2013 £
TURNOVER	2	61,744,342	50,794,379
Cost of sales		(34,695,397)	(27,104,174)
GROSS PROFIT		27,048,945	23,690,205
Administrative expenses		(18,591,516)	(16,897,687)
Other operating income		93,091	11,535
OPERATING PROFIT	3	8,550,520	6,804,053
Interest receivable and similar income		4,731	1,218
Interest payable and similar charges	6	(26,668)	(32,384)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		8,528,583	6,772,887
Tax on profit on ordinary activities	7	(1,914,803)	(1,877,816)
PROFIT FOR THE FINANCIAL YEAR	17	6,613,780	4,895,071

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

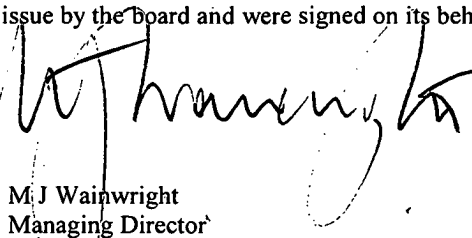
The notes on pages 8 to 17 form part of these financial statements.

BALANCE SHEET
as at 28 February 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	8		2,776,499		2,580,351
CURRENT ASSETS					
Stocks	9	38,834,128		36,613,767	
Debtors	10	4,249,777		4,043,138	
Cash in hand		4,325,202		1,515,760	
		<u>47,409,107</u>		<u>42,172,665</u>	
CREDITORS: amounts falling due within one year	11	(9,824,652)		(7,922,842)	
NET CURRENT ASSETS			37,584,455		34,249,823
TOTAL ASSETS LESS CURRENT LIABILITIES			40,360,954		36,830,174
CREDITORS: amounts falling due after more than one year	12		(306,667)		(306,667)
NET ASSETS			<u>40,054,287</u>		<u>36,523,507</u>
CAPITAL AND RESERVES					
Called up share capital	16		333,674		333,674
Capital redemption reserve	17		65,659		65,659
Other reserves	17		1,781		1,781
Profit and loss account	17		39,653,173		36,122,393
SHAREHOLDERS' FUNDS	18		<u>40,054,287</u>		<u>36,523,507</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 October 2014.


N. A. Wainwright
Chairman


M. J. Wainwright
Managing Director

The notes on pages 8 to 17 form part of these financial statements.

CASH FLOW STATEMENT
for the year ended 28 February 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	20	7,480,639	4,488,698
Returns on investments and servicing of finance	21	(21,937)	(31,166)
Taxation	21	(2,361,187)	(1,650,000)
Capital expenditure and financial investment	21	(827,237)	(1,526,495)
Equity dividends paid		(3,083,000)	(118,800)
CASH INFLOW BEFORE FINANCING		1,187,278	1,162,237
Financing	21	-	(330,000)
INCREASE IN CASH IN THE YEAR		1,187,278	832,237

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
for the year ended 28 February 2014

	2014 £	2013 £
Increase in cash in the year	1,187,278	832,237
Cash outflow from decrease in debt and lease financing	-	330,000
MOVEMENT IN NET FUNDS IN THE YEAR	1,187,278	1,162,237
Net funds at 1 March 2013	1,209,093	46,856
NET FUNDS AT 28 FEBRUARY 2014	2,396,371	1,209,093

The notes on pages 8 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2014

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods sold during the year, exclusive of Value Added Tax and discounts.

1.3 Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	straight line over the shorter of the lease term and 5 years
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	10-25% reducing balance
Computer equipment	-	25% reducing balance

1.4 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Work in progress is valued on the basis of direct costs plus directly attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

1.5 Operating lease agreements

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2014

1. ACCOUNTING POLICIES (continued)

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Profit and loss account.

1.9 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.10 Derivative financial instruments

The company uses forward exchange contracts to reduce the exposure to foreign exchange risk.

For a forward foreign exchange contract to be treated as a hedge the instrument must be related to actual foreign currency assets or liabilities or to a probable commitment. It must involve the same currency or similar currencies as the hedged item and must also reduce the risk of foreign currency exchange movements on the company's operations. Gains and losses arising on these contracts are deferred and recognised in the profit and loss account only when the hedged transaction has itself been reflected in the company's financial statements.

If an instrument ceases to be accounted for as a hedge, for example because the underlying hedged position is eliminated, the instrument is marked to market and any resulting profit or loss recognised at that time.

2. TURNOVER

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

A geographical analysis of turnover is as follows:

	2014	2013
	£	£
United Kingdom	40,268,737	36,383,932
Ireland	2,940,841	1,714,384
Sales exported overseas	18,534,764	12,696,063
	<u>61,744,342</u>	<u>50,794,379</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2014

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	629,067	735,814
Auditors' remuneration	45,000	45,000
Auditors' remuneration - non-audit	27,147	31,036
Operating lease rentals:		
- other operating leases	3,760,781	3,368,286
Difference on foreign exchange	(156,283)	133,592
Loss on disposal of fixed assets	2,022	-
	<u>6,297,734</u>	<u>4,313,728</u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	5,860,776	5,196,858
Social security costs	732,442	620,547
Pension costs	318,899	318,771
	<u>6,912,117</u>	<u>6,136,176</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Number of sales staff	46	44
Number of management, administration and design staff	48	44
	<u>94</u>	<u>88</u>

5. DIRECTORS' REMUNERATION

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

	2014 £	2013 £
Remuneration	425,000	421,939
Company pension contributions to defined contribution pension schemes	125,979	121,508

During the year retirement benefits were accruing to 4 directors (2013 - 4) in respect of defined contribution pension schemes.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2014

5. DIRECTORS' REMUNERATION (continued)

The highest paid director received remuneration of £100,000 (2013 - £100,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £18,062 (2013 - £13,175).

6. INTEREST PAYABLE

	2014	2013
	£	£
On bank loans and overdrafts	16,169	21,192
On other loans	10,499	11,192
	<u>26,668</u>	<u>32,384</u>

7. TAXATION

	2014	2013
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	2,050,000	2,000,000
Adjustments in respect of prior periods	(197,782)	(22,222)
Total current tax	<u>1,852,218</u>	<u>1,977,778</u>
Deferred tax (see note 13)		
Origination and reversal of timing differences	62,585	(99,962)
Tax on profit on ordinary activities	<u>1,914,803</u>	<u>1,877,816</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2014

7. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 23% (2013 - 24%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	8,528,583	6,772,887
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 24%)	1,961,574	1,625,493
Effects of:		
Expenses not deductible for tax purposes	157,476	191,104
Timing differences on fixed assets	(73,780)	(26,366)
Other timing differences	(2,822)	197,098
Adjustments to tax charge in respect of prior periods	(197,782)	(22,222)
Effect of change in tax rates	7,552	12,671
Current tax charge for the year (see note above)	1,852,218	1,977,778

8. TANGIBLE FIXED ASSETS

	Leasehold property £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost					
At 1 March 2013	7,784,847	36,495	2,156,855	1,083,966	11,062,163
Additions	587,591	-	254,672	123,975	966,238
Disposals	(630,778)	(36,495)	(29,803)	-	(697,076)
At 28 February 2014	7,741,660	-	2,381,724	1,207,941	11,331,325
Depreciation					
At 1 March 2013	6,043,770	17,542	1,554,674	865,826	8,481,812
Charge for the year	386,902	2,931	238,557	677	629,067
On disposals	(510,532)	(20,473)	(25,048)	-	(556,053)
At 28 February 2014	5,920,140	-	1,768,183	866,503	8,554,826
Net book value					
At 28 February 2014	1,821,520	-	613,541	341,438	2,776,499
At 28 February 2013	1,741,077	18,953	602,181	218,140	2,580,351

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2014

9. STOCKS

	2014 £	2013 £
Raw materials	357,006	504,833
Work in progress	5,165,641	3,816,420
Finished goods and goods for resale	33,311,481	32,292,514
	<u>38,834,128</u>	<u>36,613,767</u>

10. DEBTORS

	2014 £	2013 £
Trade debtors	2,808,465	2,000,631
Other debtors	579,685	1,202,043
Prepayments and accrued income	842,677	758,929
Deferred tax asset (see note 13)	18,950	81,535
	<u>4,249,777</u>	<u>4,043,138</u>

11. CREDITORS:

Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	1,622,164	-
Payments received on account	652,658	2,425,888
Trade creditors	2,842,640	1,875,580
Corporation tax	1,152,281	1,661,250
Other taxation and social security	1,507,857	677,848
Dividends payable	2,121	2,121
Other creditors	328,601	14,093
Accruals and deferred income	1,716,330	1,266,062
	<u>9,824,652</u>	<u>7,922,842</u>

12. CREDITORS:

Amounts falling due after more than one year

	2014 £	2013 £
Loan from pension fund (Note 14)	300,000	300,000
Share capital treated as debt (Note 16)	6,667	6,667
	<u>306,667</u>	<u>306,667</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 16.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2014

13. DEFERRED TAX ASSET

	2014 £	2013 £
At beginning of year	81,535	(18,427)
(Charge for)/released during year (P&L)	(62,585)	99,962
At end of year	18,950	81,535

The deferred tax asset is made up as follows:

	2014 £	2013 £
Timing differences on fixed assets	18,950	81,535

14. RELATED PARTY TRANSACTIONS

Creditors falling due after more than one year represents an amount of £300,000 (2013 - £300,000) due to the Boodle and Dunthorne Limited Directors' Self-Administered Pension Plan, of which NA Wainwright, MJ Wainwright and EA Wainwright are trustees. The loan is secured by a floating charge over the company's stock.

Interest of £10,499 (2013 - £11,192) at a rate of 3% over base rate has been charged on the loan during the year.

The company paid rent of £117,500 (2013 - £117,500) to the pension plan.

The company made a donation of £200,000 (2013 - £200,000) to the Boodle & Dunthorne Charitable Trust, of which NA Wainwright, MJ Wainwright and EA Wainwright are trustees.

The company declared dividends of £1,300,000 (2013 - £nil) to NA Wainwright, £1,300,000 (2013 - £nil) to MJ Wainwright, £173,000 (2013 - £118,800) to JA Wainwright and £310,000 (2013 - £nil) to JB Amos during the year. £1,210,000 (2013 - £118,800) was paid out in relation to these during the year.

Included within other debtors/(other creditors) at the year end are the following directors' loan account balances:

	28 February 2013 Dr/(Cr) £	28 February 2014 Dr/(Cr) £	Highest debit balance during the year ended 28 February 2014 £
N A Wainwright	525,992	(332,868)	656,720
Mrs F J Wainwright	699	3,507	4,424
M J Wainwright	283,655	235,015	898,427
Mrs E A Wainwright	(2,843)	(9,733)	179
Mr J A Wainwright	153,477	210,798	210,818
Mr J B Amos	100,000	679	310,679

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2014

15. OPERATING LEASE COMMITMENTS

At 28 February 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014	2013
	£	£
Expiry date:		
Within 1 year	116,667	175,000
Between 2 and 5 years	905,925	905,925
After more than 5 years	1,166,667	1,166,667
	<u>1,166,667</u>	<u>1,166,667</u>

16. SHARE CAPITAL

	2014	2013
	£	£
Shares classified as capital		
Allotted, called up and fully paid		
333,674 Ordinary shares of £1 each	<u>333,674</u>	<u>333,674</u>
Shares classified as debt		
Allotted, called up and fully paid		
66,666 Preference shares of £0.10 each	<u>6,667</u>	<u>6,667</u>

The rights of preference shareholders include entitlement to receive a cumulative dividend at the rate of 6.5% per annum on paid up capital in priority to ordinary shares. This right has been waived in respect of the years ended 28 February 2014 and 28 February 2013.

17. RESERVES

	Capital redemption reserve	Other reserves	Profit and loss account
	£	£	£
At 1 March 2013	65,659	1,781	36,122,393
Profit for the year	-	-	6,613,780
Dividends	-	-	(3,083,000)
At 28 February 2014	<u>65,659</u>	<u>1,781</u>	<u>39,653,173</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2014

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	36,523,507	31,747,236
Profit for the financial year	6,613,780	4,895,071
Dividends (Note 19)	(3,083,000)	(118,800)
Closing shareholders' funds	<u>40,054,287</u>	<u>36,523,507</u>

19. DIVIDENDS

	2014 £	2013 £
Dividends paid	<u>3,083,000</u>	<u>118,800</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	8,550,520	6,804,053
Depreciation of tangible fixed assets	629,067	735,814
Loss on disposal of tangible fixed assets	2,022	-
Increase in stocks	(2,220,361)	(5,429,551)
Increase in debtors	(280,474)	(136,933)
Increase in creditors	799,865	2,515,315
Net cash inflow from operating activities	<u>7,480,639</u>	<u>4,488,698</u>

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	4,731	1,218
Interest paid	(26,668)	(32,384)
Net cash outflow from returns on investments and servicing of finance	<u>(21,937)</u>	<u>(31,166)</u>
Taxation		
Corporation tax	<u>(2,361,187)</u>	<u>(1,650,000)</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2014

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(966,238)	(1,526,495)
Sale of tangible fixed assets	139,001	-
Net cash outflow from capital expenditure	<u>(827,237)</u>	<u>(1,526,495)</u>
	2014 £	2013 £
Financing		
Repayment of loans	<u>-</u>	<u>(330,000)</u>

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 March 2013 £	Cash flow £	28 February 2014 £
Cash at bank and in hand	1,515,760	2,809,442	4,325,202
Bank overdraft	-	(1,622,164)	(1,622,164)
	<u>1,515,760</u>	<u>1,187,278</u>	<u>2,703,038</u>
Debt:			
Debts falling due after more than one year	(306,667)	-	(306,667)
Net funds	<u>1,209,093</u>	<u>1,187,278</u>	<u>2,396,371</u>

23. CONTROLLING PARTY

In the opinion of the directors there is no ultimate controlling party.