

MIRAMAR INVESTMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2013

Company Registration Number 02066785



MIRAMAR INVESTMENTS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

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MIRAMAR INVESTMENTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 30 NOVEMBER 2013

| | |
|-------------------------------|---|
| The board of directors | F C Eliet F R F Singer L J De Viel Castel A P Hurst |
| Company secretary | F C Eliet |
| Business address | 4 Blackwater Park Holder Road Aldershot Hampshire GU12 4PQ |
| Registered office | 4 Blackwater Park Holder Road Aldershot Hampshire GU12 4PQ |
| Auditor | Baker Tilly Audit Limited Chartered Accountants Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY |
| Accountants | Baker Tilly Business Services Limited Accountants and Business Advisers Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY |
| Bankers | Bank of Scotland plc 144/148 High Street Southampton Hampshire SO14 2JF |
| Solicitors | Pans Smith LLP 1 London Road Southampton Hampshire SO15 2AE |

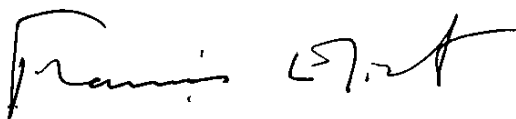
MIRAMAR INVESTMENTS LIMITED
STRATEGIC REPORT
YEAR ENDED 30 NOVEMBER 2013

The Directors consider the results of the past year to be satisfactory and look forward to further progress in the coming year

The stable pattern of year-on-year operating profit and the 14.4% EBITDA/Sales ratio represent a solid trading performance

The resultant cash flow has allowed further reduction in aggregate Bank debt and the virtual doubling of net tangible assets also adds strength to the company's finances. This trading and balance sheet performance provides a good platform for development.

Signed on behalf of the directors


F C Elliot
Director

Approved by the directors on 16th January 2014

MIRAMAR INVESTMENTS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 NOVEMBER 2013

The directors present their report and the financial statements of the company for the year ended 30 November 2013

Principal activities

The principal activity of the company continues to be that of the manufacture, sale and distribution of packaging materials

Results and dividends

The profit for the year, after taxation, amounted to £693,928. Particulars of dividends paid are detailed in note 8 to the financial statements

Financial risk management objectives and policies

The company finances its operations through a mixture of retained profits and where necessary to fund expansion or capital expenditure programmes through bank borrowings. The management's objectives are to

- retain sufficient liquid funds to enable the company to meet its day to day obligations as they fall due whilst maximising returns on surplus funds, and
- minimise the company's exposure to fluctuating interest rates when seeking new borrowings, and
- match the repayment schedule of any external borrowings or overdrafts with the expected future cash flows expected to arise from the company's trading activities

The company's borrowings are in variable and fixed rate interest loans eliminating some cash flow risk associated with changing interest payments

Directors

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

F C Eliet
F R F Singer
L J De Viel Castel
A P Hurst

MIRAMAR INVESTMENTS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 NOVEMBER 2013

Directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 year.

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, and
- 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.

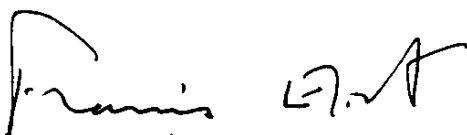
In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

On 1 October 2013, RSM Tenon Audit Limited changed its name to Baker Tilly Audit Limited. Baker Tilly Audit Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors


F C Elliot
Director

Approved by the directors on 16th January 2014

MIRAMAR INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIRAMAR
INVESTMENTS LIMITED
YEAR ENDED 30 NOVEMBER 2013

We have audited the financial statements of Miramar Investments Limited for the year ended 30 November 2013 on pages 7 to 21. 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

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 30 November 2013 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MIRAMAR INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIRAMAR
INVESTMENTS LIMITED *(continued)*
YEAR ENDED 30 NOVEMBER 2013

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

Jennifer Hill, Senior Statutory Auditor
For and on behalf of

Baker Tilly Audit Limited

Baker Tilly Audit Limited, Statutory Auditor
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

23/1/2014

MIRAMAR INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 NOVEMBER 2013

| | | 2013 £ | 2012 £ |
|--|-----------|-----------------------|-----------------------|
| Turnover | Note 2 | 14,034,920 | 13,564,977 |
| Cost of sales | | (9,872,886) | (9,380,068) |
| Gross profit | | <u>4,162,034</u> | <u>4,184,909</u> |
| Distribution costs | | (524,309) | (452,667) |
| Administrative expenses | | (2,596,140) | (2,618,732) |
| Operating profit | 3 | <u>1,041,585</u> | <u>1,113,510</u> |
| Interest payable and similar charges | 6 | (100,682) | (135,331) |
| Profit on ordinary activities before taxation | | <u>940,903</u> | <u>978,179</u> |
| Tax on profit on ordinary activities | 7 | (246,975) | (281,704) |
| Profit for the financial year | | <u><u>693,928</u></u> | <u><u>696,475</u></u> |

All of the activities of the company are classed as continuing

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

The notes on pages 10 to 21 form part of these financial statements

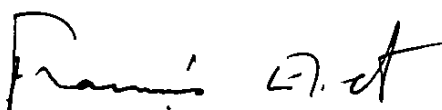
MIRAMAR INVESTMENTS LIMITED

Registered Number 02066785

BALANCE SHEET**30 NOVEMBER 2013**

| | Note | 2013 £ | 2012 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Intangible assets | 9 | 1,915,915 | 2,160,939 |
| Tangible assets | 10 | 3,186,585 | 3,273,778 |
| | | <u>5,102,500</u> | <u>5,434,717</u> |
| Current assets | | | |
| Stocks | 11 | 649,889 | 636,905 |
| Debtors | 12 | 3,707,838 | 3,522,196 |
| Cash at bank | | 1,098 | 167,873 |
| | | <u>4,358,825</u> | <u>4,326,974</u> |
| Creditors: Amounts falling due within one year | 13 | <u>(4,676,142)</u> | <u>(5,014,883)</u> |
| Net current liabilities | | (317,317) | (687,909) |
| Total assets less current liabilities | | <u>4,785,183</u> | <u>4,746,808</u> |
| Creditors: Amounts falling due after more than one year | 14 | (1,054,012) | (1,525,532) |
| Provisions for liabilities | | | |
| Deferred taxation | 17 | (195,107) | (234,485) |
| | | <u>3,536,064</u> | <u>2,986,791</u> |
| Capital and reserves | | | |
| Called-up share capital | 20 | 181,390 | 181,390 |
| Share premium account | 21 | 548,493 | 548,493 |
| Other reserves | 21 | 184,960 | 184,960 |
| Profit and loss account | 21 | 2,621,221 | 2,071,948 |
| Shareholders' funds | 22 | <u>3,536,064</u> | <u>2,986,791</u> |

These accounts were approved by the directors and authorised for issue on 16/1/2014, and are signed on their behalf by


F C Eliet
Director

The notes on pages 10 to 21 form part of these financial statements

MIRAMAR INVESTMENTS LIMITED
CASH FLOW STATEMENT
YEAR ENDED 30 NOVEMBER 2013

| | Note | 2013 £ | 2012 £ |
|--|------|------------------|------------------|
| Net cash inflow from operating activities | | 1,675,685 | 2,335,732 |
| Returns on investments and Servicing of finance | | | |
| Interest paid | | (34,554) | (44,749) |
| Interest element of hire purchase | | (66,128) | (90,582) |
| Net cash outflow from returns on investments and servicing of finance | | (100,682) | (135,331) |
| Taxation | | (256,268) | (299,842) |
| Capital expenditure | | | |
| Payments to acquire tangible fixed assets | | (263,927) | (123,366) |
| Receipts from sale of fixed assets | | 57,656 | 126,506 |
| Net cash (outflow)/inflow from capital expenditure | | (206,271) | 3,140 |
| Equity dividends paid | | (144,655) | (147,326) |
| Cash inflow before financing | | 967,809 | 1,756,373 |
| Financing | | | |
| Repayment of bank loans | | (310,714) | (310,715) |
| Capital element of hire purchase | | (495,527) | (624,194) |
| Net outflow from other long-term creditors | | — | (55,037) |
| Net cash outflow from financing | | (806,241) | (989,946) |
| Increase in cash | 23 | 161,568 | 766,427 |
| Reconciliation of operating profit to net cash inflow from operating activities | | | |
| | | 2013 | 2012 |
| | | £ | £ |
| Operating profit | | 1,041,585 | 1,113,510 |
| Amortisation | | 245,024 | 245,024 |
| Depreciation | | 637,166 | 652,295 |
| Profit on disposal of fixed assets | | (10,847) | (25,686) |
| Increase in stocks | | (12,984) | (12,971) |
| (Increase)/decrease in debtors | | (185,642) | 140,292 |
| (Decrease)/increase in creditors | | (38,617) | 223,268 |
| Net cash inflow from operating activities | | 1,675,685 | 2,335,732 |

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

1 Accounting policies

Basis of accounting

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

Turnover

The turnover shown in the profit and loss account represents amounts receivable for the manufacture, sale and distribution of packaging materials, exclusive of Value Added Tax. Income is recognised on delivery of the goods to the customer.

Goodwill

Goodwill is recognised on acquisition at cost, being purchase price, and is carried at cost less amortisation. Where there is any indication of impairment a review is undertaken and provision made as necessary.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Goodwill - 20 years

Tangible fixed assets

Tangible fixed assets are stated at cost, being purchase price, less accumulated depreciation.

Capital work in progress

Capital work in progress is recognised at cost, being purchase price. No depreciation is charged on capital work in progress.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

| | |
|-----------------------|--|
| Leasehold property | - Over the life of the lease - max 50 years |
| Plant and machinery | - 6 to 10 years straight line |
| Fixtures and fittings | - 3 to 10 years straight line and 15% reducing balance |
| Motor vehicles | - 4 years straight line and 25% reducing balance |

Stocks

Stocks are valued at the lower of cost, being purchase price paid, and net realisable value, after making due allowance for obsolete and slow moving items. For work in progress and finished goods, cost is taken as production cost, which includes an appropriate proportion of attributable overheads based on a normal level of activity.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

1 Accounting policies (*continued*)

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

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 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 transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

2 Turnover

An analysis of turnover is given below.

| | 2013 | 2012 |
|----------------|-------------------|-------------------|
| | £ | £ |
| United Kingdom | <u>14,034,920</u> | <u>13,564,977</u> |

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

3. Operating profit

Operating profit is stated after charging/(crediting)

| | 2013 | 2012 |
|--|-------------------|-------------------|
| | £ | £ |
| Amortisation of intangible assets | 245,024 | 245,024 |
| Depreciation of owned fixed assets | 294,867 | 432,558 |
| Depreciation of assets held under hire purchase agreements | 342,299 | 219,737 |
| Profit on disposal of fixed assets | (10,847) | (25,686) |
| Auditor's remuneration | | |
| - as auditor | 14,500 | 14,500 |
| - for other services | 21,500 | 21,500 |
| Operating lease costs | | |
| -Plant and machinery | 1,352 | 4,761 |
| -Other | 503,000 | 503,000 |
| | <u> </u> | <u> </u> |

4 Particulars of employees

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

| | 2013 | 2012 |
|-------------------------------------|-------------|-------------|
| | No | No |
| Production staff | 74 | 73 |
| Sales staff | 6 | 6 |
| Management and administrative staff | 18 | 18 |
| | <u>98</u> | <u>97</u> |

The aggregate payroll costs of the above were

| | 2013 | 2012 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,061,995 | 2,048,791 |
| Social security costs | 174,656 | 188,466 |
| Other pension costs | 111,165 | 78,698 |
| | <u>2,347,816</u> | <u>2,315,955</u> |

5 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

| | 2013 | 2012 |
|--|----------------|----------------|
| | £ | £ |
| Remuneration receivable | 31,262 | 95,224 |
| Value of company pension contributions to money purchase schemes | 78,000 | 48,333 |
| | <u>109,262</u> | <u>143,557</u> |

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

5 Directors' remuneration (continued)

The number of directors on whose behalf the company made pension contributions was as follows

| | 2013 | 2012 |
|------------------------|-------------|-------------|
| | No | No |
| Money purchase schemes | <u>1</u> | <u>1</u> |

6. Interest payable and similar charges

| | 2013 | 2012 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Interest payable on bank borrowing | 34,554 | 44,749 |
| Finance charges | 66,128 | 90,582 |
| | <u>100,682</u> | <u>135,331</u> |

7 Taxation on ordinary activities

(a) Analysis of charge in the year

| | 2013 | 2012 |
|--|----------------|----------------|
| | £ | £ |
| In respect of the year | | |
| UK Corporation tax | 273,125 | 337,604 |
| Under provision in prior year | 13,228 | 2,536 |
| | <u>286,353</u> | <u>340,140</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | (39,378) | (58,436) |
| Tax on profit on ordinary activities | <u>246,975</u> | <u>281,704</u> |

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

7 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 23.33% (2012 - 24.67%)

| | 2013 £ | 2012 £ |
|--|----------------|----------------|
| Profit on ordinary activities before taxation | 940,903 | 978,179 |
| Profit on ordinary activities by rate of tax | 219,513 | 241,317 |
| Effects of | | |
| Expenses not deductible for tax purposes | 535 | 781 |
| Excess of depreciation over capital allowances | 66,476 | 98,646 |
| Tax chargeable at lower rates | (2,631) | (3,140) |
| Adjustments to tax charge in respect of previous periods | 13,228 | 2,536 |
| Credit not taxable | (10,768) | - |
| Total current tax (note 7(a)) | <u>286,353</u> | <u>340,140</u> |

8 Dividends

Equity dividends

| | 2013 £ | 2012 £ |
|-------------------------------------|----------------|----------------|
| Paid during the year | | |
| Equity dividends on ordinary shares | <u>144,655</u> | <u>127,058</u> |

9 Intangible fixed assets

| | Goodwill £ |
|---|------------------|
| Cost | |
| At 1 December 2012 and 30 November 2013 | <u>4,676,906</u> |
| Amortisation | |
| At 1 December 2012 | 2,515,967 |
| Charge for the year | 245,024 |
| At 30 November 2013 | <u>2,760,991</u> |
| Net book value | |
| At 30 November 2013 | <u>1,915,915</u> |
| At 30 November 2012 | <u>2,160,939</u> |

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

10 Tangible fixed assets

| | Leasehold Property £ | Plant & Machinery £ | Fixtures & Fittings £ | Motor Vehicles £ | Capital work in progress £ | Total £ |
|-----------------------|----------------------------|---------------------------|-----------------------------|------------------------|-------------------------------------|------------------|
| Cost | | | | | | |
| At 1 Dec 2012 | 666,945 | 4,206,566 | 835,551 | 894,543 | — | 6,603,605 |
| Additions | 1,880 | 106,944 | 47,792 | 254,076 | 186,090 | 596,782 |
| Disposals | — | (53,000) | (610) | (199,519) | — | (253,129) |
| At 30 Nov 2013 | <u>668,825</u> | <u>4,260,510</u> | <u>882,733</u> | <u>949,100</u> | <u>186,090</u> | <u>6,947,258</u> |
| Depreciation | | | | | | |
| At 1 Dec 2012 | 196,297 | 2,103,062 | 682,902 | 347,566 | — | 3,329,827 |
| Charge for the year | 43,705 | 353,236 | 42,608 | 197,617 | — | 637,166 |
| On disposals | — | (49,334) | (123) | (156,863) | — | (206,320) |
| At 30 Nov 2013 | <u>240,002</u> | <u>2,406,964</u> | <u>725,387</u> | <u>388,320</u> | <u>—</u> | <u>3,760,673</u> |
| Net book value | | | | | | |
| At 30 Nov 2013 | <u>428,823</u> | <u>1,853,546</u> | <u>157,346</u> | <u>560,780</u> | <u>186,090</u> | <u>3,186,585</u> |
| At 30 Nov 2012 | <u>470,648</u> | <u>2,103,504</u> | <u>152,649</u> | <u>546,977</u> | <u>—</u> | <u>3,273,778</u> |

Hire purchase agreements

Included within the net book value of £3,186,585 is £1,666,393 (2012 - £2,180,201) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £342,299 (2012 - £219,737).

11. Stocks

| | 2013 £ | 2012 £ |
|----------------|----------------|----------------|
| Raw materials | 89,117 | 78,097 |
| Finished goods | 560,772 | 558,808 |
| | <u>649,889</u> | <u>636,905</u> |

12. Debtors

| | 2013 £ | 2012 £ |
|--------------------------------|------------------|------------------|
| Trade debtors | 3,204,433 | 2,979,350 |
| Prepayments and accrued income | 503,405 | 542,846 |
| | <u>3,707,838</u> | <u>3,522,196</u> |

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

13 Creditors Amounts falling due within one year

| | 2013 | 2012 |
|------------------------------|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts | 495,467 | 823,810 |
| Trade creditors | 2,384,148 | 2,399,927 |
| Corporation tax | 623,958 | 593,873 |
| PAYE and social security | 48,710 | 45,877 |
| VAT | 456,070 | 363,803 |
| Hire purchase agreements | 381,502 | 430,368 |
| Other creditors | 137,326 | 131,781 |
| Accruals and deferred income | 148,961 | 225,444 |
| | <u>4,676,142</u> | <u>5,014,883</u> |

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets to which they relate

The bank loans and overdrafts are secured by a fixed and floating charge over all of the assets of the company

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

14 Creditors. Amounts falling due after more than one year

| | 2013 | 2012 |
|------------------------------|------------------|------------------|
| | £ | £ |
| Bank loans | 25,893 | 336,607 |
| Hire purchase agreements | 581,806 | 695,612 |
| | <u>607,699</u> | <u>1,032,219</u> |
| Accruals and deferred income | 446,313 | 493,313 |
| | <u>1,054,012</u> | <u>1,525,532</u> |

Within bank loans, £336,607 (2012 - £647,321) is repayable by instalments by December 2014

Net obligations under hire purchase contracts are secured by fixed charges on the assets to which they relate

The bank loans and overdrafts are secured by a fixed and floating charge over all the assets of the company

Analysis of loans

Wholly repayable within five years by installments

| | 2013 | 2012 |
|---------------------------------|---------------|----------------|
| | £ | £ |
| Bank loans and other loans | 336,607 | 647,321 |
| Included in current liabilities | (310,714) | (310,714) |
| | <u>25,893</u> | <u>336,607</u> |

Loan maturity analysis

| | 2013 | 2012 |
|--|---------------|----------------|
| | £ | £ |
| In more than 1 year but not more than 2 years | 25,893 | 310,714 |
| In more than 2 years but not more than 5 years | — | 25,893 |
| | <u>25,893</u> | <u>336,607</u> |

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2013

15 Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows

| | 2013 £ | 2012 £ |
|--|------------------|------------------|
| Amounts payable within 1 year | 423,919 | 500,482 |
| Amounts payable between 2 to 5 years | 643,654 | 783,410 |
| | <u>1,067,573</u> | <u>1,283,892</u> |
| Less interest and finance charges relating to future periods | (104,265) | (157,912) |
| | <u>963,308</u> | <u>1,125,980</u> |
| Hire purchase agreements are analysed as follows | | |
| Current obligations | 381,502 | 430,368 |
| Non-current obligations | 581,806 | 695,612 |
| | <u>963,308</u> | <u>1,125,980</u> |

16 Pensions

The company contributed £111,165 (2012 - £78,698) to the defined contribution pension scheme and the amount outstanding at the year end was £8,704 (2012 - £3,757)

17 Deferred taxation

The movement in the deferred taxation provision during the year was

| | 2013 £ | 2012 £ |
|--|----------------|----------------|
| At 1 Dec 2012 | 234,485 | 292,921 |
| Profit and loss account movement arising during the year | (39,378) | (58,436) |
| At 30 Nov 2013 | <u>195,107</u> | <u>234,485</u> |

The provision for deferred taxation consists of the tax effect of timing differences in respect of

| | 2013 £ | 2012 £ |
|---|----------------|----------------|
| Excess of taxation allowances over depreciation on fixed assets | 195,107 | 234,485 |
| | <u>195,107</u> | <u>234,485</u> |

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18 Commitments under operating leases

At 30 November 2013 the company had annual commitments under non-cancellable operating leases as set out below

| | 2013 | | 2012 | |
|-------------------------------|----------------------------|---------------------|----------------------------|---------------------|
| | Land and buildings £ | Other Items £ | Land and buildings £ | Other Items £ |
| Operating leases which expire | | | | |
| Within 1 year | - | 2,731 | - | - |
| Within 2 to 5 years | - | 2,604 | - | 8,065 |
| After more than 5 years | 503,000 | - | 503,000 | - |
| | <u>503,000</u> | <u>5,335</u> | <u>503,000</u> | <u>8,065</u> |

19 Transactions with the directors

During the year the company made purchases of £13,500 (2012 - £13,500) from Walford Maritime Limited, a company of which A P Hurst is a director. The transaction took place at arms' length. At the year end an amount of £nil (2012 - £nil) was outstanding.

During the year total dividends of £102,473 (2012 - £127,058) were paid to Ruskin Investments Limited, a company controlled by F C Eliet and Chapel Street Holdings Limited, a company controlled by F R F Singer. At the year end £nil (2012 - £211) was owed to Ruskin Investments Limited in relation to these dividends. This balance is included within other creditors.

20 Share capital

Allotted, called up and fully paid:

| | 2013 | | 2012 | |
|--------------------------------|----------------|----------------|----------------|----------------|
| | No | £ | No | £ |
| Ordinary shares of £1 each | 48,804 | 48,804 | 48,804 | 48,804 |
| Ordinary 'A' shares of £1 each | 62,226 | 62,226 | 62,226 | 62,226 |
| Ordinary 'B' shares of £1 each | 8,134 | 8,134 | 8,134 | 8,134 |
| Ordinary 'C' shares of £1 each | 62,226 | 62,226 | 62,226 | 62,226 |
| | <u>181,390</u> | <u>181,390</u> | <u>181,390</u> | <u>181,390</u> |

All classes of share rank *pari passu* in all respects.

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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21. Reserves

| | Share premium account £ | Capital redemption reserve £ | Profit and loss account £ |
|-------------------------|----------------------------------|---------------------------------------|---------------------------------|
| Balance brought forward | 548,493 | 184,960 | 2,071,948 |
| Profit for the year | — | — | 693,928 |
| Equity dividends | — | — | (144,655) |
| Balance carried forward | <u>548,493</u> | <u>184,960</u> | <u>2,621,221</u> |

22 Reconciliation of movements in shareholders' funds

| | 2013 £ | 2012 £ |
|-------------------------------------|------------------|------------------|
| Profit for the financial year | 693,928 | 696,475 |
| Equity dividends | (144,655) | (127,058) |
| Net addition to shareholders' funds | <u>549,273</u> | <u>569,417</u> |
| Opening shareholders' funds | 2,986,791 | 2,417,374 |
| Closing shareholders' funds | <u>3,536,064</u> | <u>2,986,791</u> |

23 Notes to the cash flow statement

Reconciliation of net cash flow to movement in net debt

| | 2013 £ | £ | 2012 £ | £ |
|--|--------------------|---|--------------------|---|
| Increase in cash in the period | 161,568 | | 766,427 | |
| Net cash outflow from bank loans | 310,714 | | 310,715 | |
| Cash outflow in respect of hire purchase | 495,527 | | 624,194 | |
| Net cash (inflow) from other long-term creditors | — | | (55,037) | |
| Change in net debt resulting from cash flows | 967,809 | | 1,646,299 | |
| New finance leases | (332,855) | | (467,365) | |
| Movement in net debt in the period | <u>634,954</u> | | <u>1,178,934</u> | |
| Net debt at 1 December 2012 | (2,118,524) | | (3,352,495) | |
| Net debt at 30 November 2013 | <u>(1,483,570)</u> | | <u>(2,118,524)</u> | |

MIRAMAR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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23 Notes to the cash flow statement (continued)

Analysis of changes in net debt

| | At 1 December 2012 £ | Cash flows £ | Other changes £ | At 30 November 2013 £ |
|--------------------------|-------------------------------|-----------------|-----------------------|-----------------------------------|
| Net cash | | | | |
| Cash in hand and at bank | 167,873 | (166,775) | – | 1,098 |
| Overdrafts | (513,096) | 328,343 | – | (184,753) |
| | <u>(345,223)</u> | <u>161,568</u> | <u>–</u> | <u>(183,655)</u> |
| Debt | | | | |
| Debt due within 1 year | (310,714) | – | – | (310,714) |
| Debt due after 1 year | (336,607) | 310,714 | – | (25,893) |
| Hire purchase agreements | (1,125,980) | 495,527 | (332,855) | (963,308) |
| | <u>(1,773,301)</u> | <u>806,241</u> | <u>(332,855)</u> | <u>(1,299,915)</u> |
| Net debt | <u>(2,118,524)</u> | <u>967,809</u> | <u>(332,855)</u> | <u>(1,483,570)</u> |

Non-cash transactions

During the year, the company entered into finance lease arrangements in respect of assets with a total capital value at the inception of the lease of £332,855 (2012 - £467,365)

24 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £915,015 (2012 - £Nil)

25. Control

The ultimate controlling parties are the directors F C Eliet and F R F Singer by virtue of their shareholdings