

**METROPOLITAN INTERNATIONAL SCHOOLS LTD**  
**REPORT OF THE DIRECTORS AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

FRIDAY



\*A2M56IEX\*

A13

29/11/2013

#88

COMPANIES HOUSE

---

**METROPOLITAN INTERNATIONAL SCHOOLS LTD**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013**

---

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors</b>	<b>4</b>
<b>Profit and Loss Account</b>	<b>6</b>
<b>Balance Sheet</b>	<b>7</b>
<b>Cash Flow Statement</b>	<b>8</b>
<b>Notes to the Cash Flow Statement</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>11</b>
<b>Trading and Profit and Loss Account</b>	<b>17</b>

---

**METROPOLITAN INTERNATIONAL SCHOOLS LTD**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2013**

---

**DIRECTORS:**

G E Butler  
J Bradik

**SECRETARY:**

J Bradik

**REGISTERED OFFICE:**

180 Piccadilly  
London  
W1J 9HF

**REGISTERED NUMBER:**

02646404 (England and Wales)

**AUDITORS:**

Graham Keeble Partnership LLP  
Chartered Accountants & Statutory Auditors  
First Floor  
5 Doolittle Yard  
Froghall Road  
Amphill  
Bedfordshire  
MK45 2NW

## **METROPOLITAN INTERNATIONAL SCHOOLS LTD**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2013**

---

The directors present their report with the financial statements of the company for the year ended 31 March 2013

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of marketing and providing open learning courses

#### **REVIEW OF BUSINESS**

The company uses EBITA (earning before interest, taxation and amortisation) as a key performance indicator EBITA was £1,426,621 (2012 -£1,219,408)

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2013

#### **FUTURE DEVELOPMENTS**

The company is committed to providing and developing home study courses to meet the training requirement of individuals and organisations in all business sectors The company will continue its strategy of delivering organic growth by increasing the number of student enrolments and extending the range of courses provided The Board continues to review opportunities afforded by ecommerce and the internet

#### **DIRECTORS**

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

G E Butler  
J Bradik

#### **FINANCIAL INSTRUMENTS**

The company's principal financial instruments comprise bank balances, bank overdrafts and trade creditors The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations

Due to the financial instruments used by the company there is no exposure to price risk The company's approach to managing other risks applicable to the financial instruments concerned is shown below

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates on interest

The bank overdrafts are repayable on demand but with the agreement of the bank The company manages the liquidity risk by ensuring there are sufficient funds so as to not exceed the company's overdraft limit

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company made charitable donations totalling £nil (2012 - £5,420)

#### **CREDITOR PAYMENT POLICY**

Payment terms are agreed with the company's major suppliers The company endeavours to abide by these terms provided the supplier also complies by the terms of the contract

## **METROPOLITAN INTERNATIONAL SCHOOLS LTD**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2013**

---

#### **KEY RISKS**

The company operates in excess of twelve wide ranging educational and vocational courses. The key risk to the company is for these courses to become outdated and therefore not so attractive to potential students. However, the company operates a continuous policy of improving existing courses and developing new and innovative courses for future students.

#### **Employees**

One of the significant issues for the company is how to attract, motivate, develop and retain good people. The company has good staff retention and aims to provide competitive remuneration packages to all staff.

#### **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,
- state whether applicable 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.


#### **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, Graham Keeble Partnership LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

#### **ON BEHALF OF THE BOARD:**



J Bradk - Director

8 October 2013

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF METROPOLITAN INTERNATIONAL SCHOOLS LTD**

---

We have audited the financial statements of Metropolitan International Schools Ltd for the year ended 31 March 2013 on pages six to sixteen. 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 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 three, 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 31 March 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 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
METROPOLITAN INTERNATIONAL SCHOOLS LTD**

---

**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



Graham Keeble FCA (Senior Statutory Auditor)  
for and on behalf of Graham Keeble Partnership LLP  
Chartered Accountants & Statutory Auditors  
First Floor  
5 Doolittle Yard  
Froghall Road  
Amphill  
Bedfordshire  
MK45 2NW

8 October 2013

**METROPOLITAN INTERNATIONAL SCHOOLS LTD**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	2013 £	£	2012 £	£
<b>TURNOVER</b>			50,959,919		82,032,698
Cost of sales			10,069,449		11,571,212
<b>GROSS PROFIT</b>			40,890,470		70,461,486
Administrative expenses			39,466,697		71,703,434
			1,423,773		(1,241,948)
Other operating income			-		20,980
<b>OPERATING PROFIT/(LOSS)</b>	3		1,423,773		(1,220,968)
Income from fixed asset investments		2,848		1,560	
Interest receivable and similar income		17,791		18,555	
			20,639		20,115
			1,444,412		(1,200,853)
Interest payable and similar charges	4		293		14,384
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			1,444,119		(1,215,237)
Tax on profit/(loss) on ordinary activities	5		1,297		-
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>			1,442,822		(1,215,237)
Retained profit brought forward			432,225		1,647,462
<b>RETAINED PROFIT CARRIED FORWARD</b>			1,875,047		432,225

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year

The notes form part of these financial statements

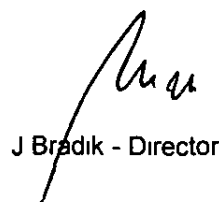


**METROPOLITAN INTERNATIONAL SCHOOLS LTD (REGISTERED NUMBER: 02646404)**

**BALANCE SHEET  
31 MARCH 2013**

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	6	168,639	350,234
Investments	7	98,549	120,723
		<u>267,188</u>	<u>470,957</u>
<b>CURRENT ASSETS</b>			
Stocks	8	266,890	202,665
Debtors	9	69,190,399	80,036,182
Cash at bank		96,695	90,182
		<u>69,553,984</u>	<u>80,329,029</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	35,917,641	43,429,670
<b>NET CURRENT ASSETS</b>		<u>33,636,343</u>	<u>36,899,359</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>33,903,531</u>	<u>37,370,316</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	32,025,484	36,935,091
<b>NET ASSETS</b>		<u>1,878,047</u>	<u>435,225</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	3,000	3,000
Profit and loss account		1,875,047	432,225
<b>SHAREHOLDERS' FUNDS</b>	18	<u>1,878,047</u>	<u>435,225</u>

The financial statements were approved by the Board of Directors on 8 October 2013 and were signed on its behalf by



J Bradik - Director

The notes form part of these financial statements

**METROPOLITAN INTERNATIONAL SCHOOLS LTD**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	2013 £	2012 £
<b>Net cash inflow/(outflow) from operating activities</b>	1	166,526	(60,102)
<b>Returns on investments and servicing of finance</b>	2	20,346	5,731
<b>Taxation</b>		20,483	(20,483)
<b>Capital expenditure and financial investment</b>	2	(39,575)	(160,425)
		<u>167,780</u>	<u>(235,279)</u>
<b>Financing</b>	2	-	(9,180)
<b>Increase/(decrease) in cash in the period</b>		<u>167,780</u>	<u>(244,459)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Increase/(decrease) in cash in the period		167,780	(244,459)
Cash outflow from decrease in debt and lease financing		<u>-</u>	<u>14,414</u>
Change in net debt resulting from cash flows		<u>167,780</u>	<u>(230,045)</u>
<b>Movement in net debt in the period</b>		<u>167,780</u>	<u>(230,045)</u>
<b>Net debt at 1 April</b>		<u>(341,566)</u>	<u>(111,521)</u>
<b>Net debt at 31 March</b>		<u>(173,786)</u>	<u>(341,566)</u>

The notes form part of these financial statements

**METROPOLITAN INTERNATIONAL SCHOOLS LTD****NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2013****1 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	2013 £	2012 £
Operating profit/(loss)	1,423,773	(1,220,968)
Depreciation charges	251,003	171,032
(Profit)/loss on disposal of fixed assets	(7,660)	587
(Increase)/decrease in stocks	(64,225)	156,617
Decrease in debtors	10,825,301	21,947,289
Decrease in creditors	(12,261,666)	(21,114,659)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>166,526</b>	<b>(60,102)</b>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2013 £	2012 £
<b>Returns on investments and servicing of finance</b>		
Interest received	17,791	18,555
Interest paid	(293)	(14,384)
Dividends received	2,848	1,560
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>20,346</b>	<b>5,731</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(69,409)	(47,828)
Purchase of fixed asset investments	(126,378)	(120,723)
Sale of tangible fixed assets	200	-
Sale of fixed asset investments	156,012	8,126
<b>Net cash outflow for capital expenditure and financial investment</b>	<b>(39,575)</b>	<b>(160,425)</b>
<b>Financing</b>		
Capital repayments in year	-	(14,414)
Amount introduced by directors	-	9,289
Amount withdrawn by directors	-	(4,055)
<b>Net cash outflow from financing</b>	<b>-</b>	<b>(9,180)</b>

The notes form part of these financial statements

**METROPOLITAN INTERNATIONAL SCHOOLS LTD**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2013**

---

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 4 12 £	Cash flow £	At 31 3 13 £
Net cash			
Cash at bank	90,182	6,513	96,695
Bank overdrafts	(431,748)	161,267	(270,481)
	<u>(341,566)</u>	<u>167,780</u>	<u>(173,786)</u>
 Total	 <u>(341,566)</u>	 <u>167,780</u>	 <u>(173,786)</u>

The notes form part of these financial statements

# METROPOLITAN INTERNATIONAL SCHOOLS LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

---

### 1 ACCOUNTING POLICIES

#### Accounting convention

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

#### Turnover

Turnover, excluding value added tax, from the sale of courses, is recognised on a monthly basis over the period of the course

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Improvements to property	- 10% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Office equipment	- 50% 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

#### Deferred tax

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

#### Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

#### Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

### 2 STAFF COSTS

	2013 £	2012 £
Wages and salaries	2,040,018	493,936
Social security costs	180,669	42,196
Other pension costs	11,423	9,975
	<u>2,232,110</u>	<u>546,107</u>

**METROPOLITAN INTERNATIONAL SCHOOLS LTD****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2013****2 STAFF COSTS - continued**

The average monthly number of employees during the year was as follows

	2013	2012
Directors	1	2
Administration	105	14
	<u>106</u>	<u>16</u>

**3 OPERATING PROFIT/(LOSS)**

The operating profit (2012 - operating loss) is stated after charging/(crediting)

	2013 £	2012 £
Hire of plant and machinery	239,395	134,041
Depreciation - owned assets	251,004	170,594
(Profit)/loss on disposal of fixed assets	(7,660)	587
Patents and licences amortisation	-	438
Auditors' remuneration	32,220	28,895
	<u>40,000</u>	<u>56,155</u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	2013 £	2012 £
Interest on overdue tax	293	14,384

**5 TAXATION****Analysis of the tax charge**

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

	2013 £	2012 £
Current tax		
UK corporation tax	1,297	-
	<u>1,297</u>	<u>-</u>

**METROPOLITAN INTERNATIONAL SCHOOLS LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2013**

**5 TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2013 £	2012 £
Profit/(loss) on ordinary activities before tax	<u>1,444,119</u>	<u>(1,215,237)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2012 - 26%)	288,824	(315,962)
Effects of		
Expenses not deductible for tax purposes	1,981	4,020
Income not taxable for tax purposes	(570)	-
Depreciation in excess of capital allowances	2,872	16,561
Adjustments to tax charge in respect of previous periods	-	(25,229)
Losses carried forward	(293,184)	320,610
Capital Gains	<u>1,374</u>	<u>-</u>
Current tax charge	<u>1,297</u>	<u>-</u>

**6 TANGIBLE FIXED ASSETS**

	Improvements to property £	Fixtures and fittings £	Office equipment £	Totals £
<b>COST</b>				
At 1 April 2012	163,009	674,230	2,661,071	3,498,310
Additions	-	3,272	66,137	69,409
Disposals	-	(585,448)	(2,561,398)	(3,146,846)
At 31 March 2013	<u>163,009</u>	<u>92,054</u>	<u>165,810</u>	<u>420,873</u>
<b>DEPRECIATION</b>				
At 1 April 2012	106,533	528,893	2,512,650	3,148,076
Charge for year	5,648	101,962	143,394	251,004
Eliminated on disposal	-	(585,448)	(2,561,398)	(3,146,846)
At 31 March 2013	<u>112,181</u>	<u>45,407</u>	<u>94,646</u>	<u>252,234</u>
<b>NET BOOK VALUE</b>				
At 31 March 2013	<u>50,828</u>	<u>46,647</u>	<u>71,164</u>	<u>168,639</u>
At 31 March 2012	<u>56,476</u>	<u>145,337</u>	<u>148,421</u>	<u>350,234</u>

**METROPOLITAN INTERNATIONAL SCHOOLS LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2013**

**7 FIXED ASSET INVESTMENTS**

	Listed investments £
<b>COST</b>	
At 1 April 2012	120,723
Additions	126,378
Disposals	(148,552)
At 31 March 2013	98,549
<b>NET BOOK VALUE</b>	
At 31 March 2013	98,549
At 31 March 2012	120,723

Market value of listed investments at 31 March 2013 - £135,484 (2012 - £151,675)

**8 STOCKS**

	2013 £	2012 £
Stocks	266,890	202,665

**9 DEBTORS**

	2013 £	2012 £
Amounts falling due within one year		
Trade debtors	29,480,492	39,484,226
Other debtors	1,697,893	2,285,088
Tax	-	20,483
VAT	3,472,549	2,499,777
Prepayments	429,802	197,217
	35,080,736	44,486,791
Amounts falling due after more than one year		
Trade debtors	34,109,663	35,549,391
Aggregate amounts	69,190,399	80,036,182

Career Development Finance Limited and Career Finance 4 Trade Skills Limited are independent finance companies. Both companies provide credit finance to a number of customers of Metropolitan International Schools Limited to enable them to fund the payment of their fees. Included in trade debtors is an amount of £40,808,605 (2012 - £43,651,171) due from Career Development Finance Limited and an amount of £22,173,979 (2012 - £31,382,447) due from Career Finance 4 Trade Skills Limited. By agreement between both companies and Metropolitan International Schools Limited, this balance is to be retained as collateral towards costs to complete the tuition of customers enrolled by the company.



# METROPOLITAN INTERNATIONAL SCHOOLS LTD

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2013

### 10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Bank loans and overdrafts (see note 12)	270,481	431,748
Trade creditors	3,528,340	1,992,402
Tax	1,297	-
Social security and other taxes	47,010	47,744
Other creditors	486,063	355,904
Directors' current accounts	9,289	9,289
Deferred income	28,666,762	37,441,439
Accrued expenses	2,908,399	3,151,144
	<u>35,917,641</u>	<u>43,429,670</u>

### 11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2013 £	2012 £
Deferred income	<u>32,025,484</u>	<u>36,935,091</u>

This is income that is to be recognised in future periods by the company since courses provided to students can vary in length up to three and half years

### 12 LOANS

An analysis of the maturity of loans and overdrafts is given below

	2013 £	2012 £
Amounts falling due within one year or on demand		
Bank overdrafts	<u>270,482</u>	<u>431,748</u>

### 13 OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other operating leases	
	2013 £	2012 £	2013 £	2012 £
Expiring				
Within one year	33,080	-	-	-
Between one and five years	108,000	126,760	17,493	17,493
	<u>141,080</u>	<u>126,760</u>	<u>17,493</u>	<u>17,493</u>

**METROPOLITAN INTERNATIONAL SCHOOLS LTD****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2013****14 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value £1	2013 £ <u>3,000</u>	2012 £ <u>3,000</u>
3,000	Ordinary			

**15 PENSION COMMITMENTS**

The company pays contributions into personal pension schemes for the benefit of the staff and directors. Pension contributions paid in the year were £11,423 (2012 £9,975)

**16 RELATED PARTY DISCLOSURES****G E Butler**

During the year ended 31 March 2013 the company paid consultancy fees in the sum of £29,875 (2012 £4,872)

	2013 £ <u>10,172</u>	2012 £ <u>9,340</u>
Amount due to related party at the balance sheet date		

**J Bradik**

	2013 £ <u>1,367</u>	2012 £ <u>1,367</u>
Amount due to related party at the balance sheet date		

**17 ULTIMATE CONTROLLING PARTY**

The controlling party is G E Butler

**18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2013 £ <u>1,442,822</u>	2012 £ <u>(1,215,237)</u>
Profit/(loss) for the financial year		
<b>Net addition/(reduction) to shareholders' funds</b>	<b>1,442,822</b>	<b>(1,215,237)</b>
Opening shareholders' funds	<u>435,225</u>	<u>1,650,462</u>
<b>Closing shareholders' funds</b>	<b><u>1,878,047</u></b>	<b><u>435,225</u></b>