
Swallow Holdings Limited

Directors' Report and Financial Statements

For the year ended 30 September 2012

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Swallow Holdings Limited

Company Information

Directors	R K B Purvis A D Swallow C D Swallow H H G Swallow
Company secretary	C D Swallow
Company number	02979029
Registered office	Weymouth Road Eccles Manchester Lancashire M30 8WL
Trading address	Weymouth Road Eccles Manchester Lancashire M30 8WL
Auditors	Hurst & Company Accountants LLP Chartered Accountants & Statutory Auditors Lancashire Gate 21 Tiviot Dale Stockport Cheshire SK1 1TD
Bankers	National Westminster Bank plc 1 Spinningfields Square Manchester M3 3AP
Solicitors	Eversheds LLP 70 Great Bridgewater Street Manchester M1 5ES

Swallow Holdings Limited

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Swallow Holdings Limited

Directors' Report For the year ended 30 September 2012

The directors present their report and the financial statements for the year ended 30 September 2012

Directors' responsibilities statement

The directors are responsible for preparing 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 the group and of the profit or loss of the group 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The principal activity of the group is that of the retail of milk and dairy products.

Business review

As shown in the profit and loss account on page 6 the group's turnover has decreased by 1% over the prior year.

The group managed to return a profit before tax of £766,206 against £833,007 in the prior year, a decrease of 8%.

The balance sheet on page 7 shows that the group's financial position at the year end in terms of net current assets and shareholders' funds has improved from the prior year. The group has strong net current assets and liquidity, good lines of credit and very low borrowings relative to its asset base.

Results

The profit for the year, after taxation, amounted to £568,306 (2011 - £611,950).

Directors

The directors who served during the year were

R K B Purvis
A D Swallow
C D Swallow
H H G Swallow

Swallow Holdings Limited

Directors' Report For the year ended 30 September 2012

Political and charitable contributions

During the period the group donated £25,110 (2011 £27,052) to UK registered charities

Future developments

The business remains well set to benefit from its diverse and solid customer base which yields regular repeat custom and its low cost, strategically well positioned manufacturing base in Manchester. We will continue to bid for profitable business using our available production capacity. Any additional business is added to a firm and profitable core business which does not require substantial capital expenditure to meet significant extra demand. The directors consider the company to be in a strong financial position and plan to expand the group's operations by organic growth and acquisition of further business in the future.

Financial risk management objectives and policies

Although the doorstep delivery market is declining nationally and in the North West, the group manages this risk through acquiring milk rounds or canvassing new customers to replace lost custom. We anticipate adding an online delivery service in the near future which we hope will mitigate some doorstep volume loss. Doorstep delivery will remain an important contributor to our business in the years ahead even though our own Retail milk rounds represent a small proportion by volume of our overall business.

The principle economic risk foreseen in the year ahead is that of the creditworthiness of our customers as they themselves face the consequences of the recession. However, the group now has a very diverse and well spread customer base who themselves mainly have businesses with good cash flow characteristics.

The group's revenues derive entirely inside the UK so the slowdown in the Eurozone has had and is likely to continue to have little effect on these.

Provision 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 and the group'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 information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information.

Swallow Holdings Limited

Directors' Report
For the year ended 30 September 2012

Auditors

The auditors, Hurst & Company Accountants LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006


This report was approved by the board and signed on its behalf



.....

R K B Purvis
Director

Date 16th January 2013



.....

C D Swallow
Director

Swallow Holdings Limited

Independent Auditors' Report to the Members of Swallow Holdings Limited

We have audited the financial statements of Swallow Holdings Limited for the year ended 30 September 2012, set out on pages 6 to 20. The financial reporting framework that has been applied in their preparation is applicable and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 group's and the parent 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 Directors' Report 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 group's and the parent company's affairs as at 30 September 2012 and of the group's 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Swallow Holdings Limited

Independent Auditors' Report to the Members of Swallow Holdings Limited

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Hurst & Company Accountants LLP

Mike Jackson (Senior Statutory Auditor)

for and on behalf of

Hurst & Company Accountants LLP

Chartered Accountants

Statutory Auditors

Lancashire Gate

21 Tiviot Dale

Stockport

Cheshire

SK1 1TD

Date *24 January 2013*

Swallow Holdings Limited

**Consolidated Profit and Loss Account
For the year ended 30 September 2012**

	Note	2012 £	2011 £
Turnover	1,2	19,041,330	<i>19,140,047</i>
Cost of sales		<u>(11,573,048)</u>	<u>(11,003,209)</u>
Gross profit		7,468,282	<i>8,136,838</i>
Distribution costs		(5,046,482)	<i>(5,040,199)</i>
Administrative expenses		(1,703,171)	<i>(2,295,437)</i>
Other operating income	3	<u>32,456</u>	<u><i>28,209</i></u>
Operating profit	4	751,085	<i>829,411</i>
Interest receivable and similar income		15,671	<i>8,298</i>
Interest payable and similar charges	7	<u>(550)</u>	<u><i>(4,702)</i></u>
Profit on ordinary activities before taxation		766,206	<i>833,007</i>
Tax on profit on ordinary activities	8	<u>(197,900)</u>	<u><i>(221,057)</i></u>
Profit for the financial year	18	<u><u>568,306</u></u>	<u><u><i>611,950</i></u></u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and Loss Account

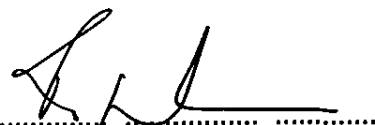
The notes on pages 10 to 20 form part of these financial statements

Swallow Holdings Limited
Registered number: 02979029

Consolidated Balance Sheet
As at 30 September 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Intangible assets	9		145,813		201,244
Tangible assets	10		956,272		994,667
			<u>1,102,085</u>		<u>1,195,911</u>
Current assets					
Stocks	12	175,759		185,703	
Debtors	13	2,075,543		1,890,717	
Cash at bank		2,524,512		2,401,303	
			<u>4,775,814</u>	<u>4,477,723</u>	
Creditors' amounts falling due within one year	14	(1,769,710)		(1,800,602)	
Net current assets			<u>3,006,104</u>		<u>2,677,121</u>
Total assets less current liabilities			<u>4,108,189</u>		<u>3,873,032</u>
Creditors' amounts falling due after more than one year	15		-		(15,372)
Provisions for liabilities					
Deferred tax	16		(91,119)		(108,896)
Net assets			<u>4,017,070</u>		<u>3,748,764</u>
Capital and reserves					
Called up share capital	17		20,000		20,000
Share premium account	18		390,000		390,000
Profit and loss account	18		3,607,070		3,338,764
Shareholders' funds	19		<u>4,017,070</u>		<u>3,748,764</u>

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



R K B Purvis
Director



C D Swallow
Director

Date 16th January 2013

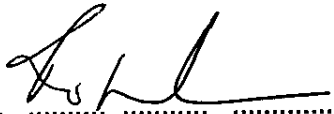
The notes on pages 10 to 20 form part of these financial statements


Swallow Holdings Limited
Registered number: 02979029

Company Balance Sheet
As at 30 September 2012

	Note	2012 £	2011 £
Fixed assets			
Investments	11	928,339	928,339
Creditors amounts falling due within one year	14	(493)	(493)
Net assets		<u>927,846</u>	<u>927,846</u>
Capital and Reserves			
Called up share capital	17	20,000	20,000
Share premium account	18	390,000	390,000
Profit and loss account	18	<u>517,846</u>	<u>517,846</u>
Shareholders' funds	19	<u>927,846</u>	<u>927,846</u>

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


.....
R K B Purvis
Director


.....
C D Swallow
Director

Date *16th January 2013*

The notes on pages 10 to 20 form part of these financial statements

Swallow Holdings Limited

**Consolidated Cash Flow Statement
For the year ended 30 September 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	21	917,643	1,444,810
Returns on investments and servicing of finance	22	15,121	3,596
Taxation		(248,537)	(224,229)
Capital expenditure and financial investment	22	(240,522)	(145,821)
Equity dividends paid		(300,000)	-
Cash inflow before financing		143,705	1,078,356
Financing	22	(20,496)	(45,662)
Increase in cash in the year		123,209	1,032,694

**Reconciliation of Net Cash Flow to Movement in Net Funds/Debt
For the year ended 30 September 2012**

	2012 £	2011 £
Increase in cash in the year	123,209	1,032,694
Cash outflow from decrease in debt and lease financing	20,496	45,662
Movement in net debt in the year	143,705	1,078,356
Net funds at 1 October 2011	2,365,435	1,287,079
Net funds at 30 September 2012	2,509,140	2,365,435

The notes on pages 10 to 20 form part of these financial statements

Swallow Holdings Limited

Notes to the Financial Statements For the year ended 30 September 2012

1. Accounting Policies

1.1 Basis of preparation of financial statements

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

1.2 Basis of consolidation

The financial statements consolidate the accounts of Swallow Holdings Limited and all of its subsidiary undertakings ('subsidiaries')

1.3 Turnover

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

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss Account over its estimated economic life.

1.5 Tangible fixed assets and 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:

Freehold property	-	Straight line over fifty and fifteen years
Leasehold improvements	-	Straight line over the life of the lease
Machinery, fixtures and fittings	-	10 - 20% straight line
Motor vehicles	-	20% straight line

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Swallow Holdings Limited

Notes to the Financial Statements
For the year ended 30 September 2012

1 Accounting Policies (continued)

1.9 Stocks

Stocks 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.

1.10 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.

1.11 Pensions

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

2. Turnover

All turnover arose within the United Kingdom.

3 Other operating income

	2012	2011
	£	£
Other operating income	32,456	28,209

Swallow Holdings Limited

**Notes to the Financial Statements
For the year ended 30 September 2012**

4. Operating profit

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Amortisation - intangible fixed assets	85,431	95,180
Depreciation of tangible fixed assets		
- owned by the group	254,917	295,155
Auditors' remuneration	11,000	11,000
Auditors' remuneration - non-audit	6,605	3,750
Profit/loss on sale of tangible assets	-	889
Profit/loss on sale of intangible assets	(6,000)	-
Operating lease rentals - plant and machinery	72,691	95,409
Operating lease rentals - land and buildings	143,985	137,335
	<u> </u>	<u> </u>

5. Staff costs

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	3,570,483	3,683,920
Social security costs	321,764	325,185
Other pension costs	2,862	400,922
	<u> </u>	<u> </u>
	<u>3,895,109</u>	<u>4,410,027</u>

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

	2012 No.	2011 No.
Distribution	145	157
Administration	32	29
	<u> </u>	<u> </u>
	<u>177</u>	<u>186</u>

6. Directors' remuneration

	2012 £	2011 £
Emoluments	227,200	369,396
	<u> </u>	<u> </u>
Company pension contributions to defined contribution pension schemes	-	400,000
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 3 directors (2011 - 3) in respect of defined contribution pension schemes

Swallow Holdings Limited

Notes to the Financial Statements
For the year ended 30 September 2012

6 Directors' remuneration (continued)

The highest paid director received remuneration of £100,343 (2011 - £166,402)

The value of the company's contributions paid to defined contribution pension schemes in respect of the highest paid director amounted to £NIL (2011 - £124,000)

7. Interest payable

	2012 £	2011 £
Bank interest paid	307	-
Hire purchase interest	243	4,702
	<u>550</u>	<u>4,702</u>

8 Taxation

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	215,677	248,537
Deferred tax (see note 16)		
Origination and reversal of timing differences	(17,777)	(27,480)
Tax on profit on ordinary activities	<u>197,900</u>	<u>221,057</u>

Swallow Holdings Limited

**Notes to the Financial Statements
For the year ended 30 September 2012**

8 Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2011 - higher than)* the standard rate of corporation tax in the UK of 24% *(2011 - 27%)*. The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>766,206</u>	<u>833,007</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% <i>(2011 - 27%)</i>	183,889	224,888
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	9,493	10,679
Expenses not deductible for tax purposes	11,551	2,741
Capital allowances for period lower than depreciation	17,777	19,108
Change in rates	554	-
Marginal relief	(7,587)	(8,879)
Current tax charge for the year (see note above)	<u><u>215,677</u></u>	<u><u>248,537</u></u>

9 Intangible fixed assets

	Goodwill £
Group	
Cost	
At 1 October 2011	1,885,707
Additions	30,000
At 30 September 2012	<u>1,915,707</u>
Amortisation	
At 1 October 2011	1,684,463
Charge for the year	85,431
At 30 September 2012	<u>1,769,894</u>
Net book value	
At 30 September 2012	<u><u>145,813</u></u>
At 30 September 2011	<u><u>201,244</u></u>

Swallow Holdings Limited

**Notes to the Financial Statements
For the year ended 30 September 2012**

10. Tangible fixed assets

Group	Land and buildings £	Plant and machinery £	Motor vehicles £	Leasehold improvements £	Total £
Cost					
At 1 October 2011	217,353	2,547,019	1,257,435	24,956	4,046,763
Additions	-	69,015	147,507	-	216,522
At 30 September 2012	217,353	2,616,034	1,404,942	24,956	4,263,285
Depreciation					
At 1 October 2011	52,708	1,885,220	1,089,212	24,956	3,052,096
Charge for the year	4,232	142,029	108,656	-	254,917
At 30 September 2012	56,940	2,027,249	1,197,868	24,956	3,307,013
Net book value					
At 30 September 2012	160,413	588,785	207,074	-	956,272
At 30 September 2011	164,645	661,799	168,223	-	994,667

11. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2011 and 30 September 2012	928,339

Details of the principal subsidiaries can be found under note number 27

12. Stocks

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Raw materials	62,073	78,391	-	-
Finished goods and goods for resale	113,686	107,312	-	-
	175,759	185,703	-	-

Swallow Holdings Limited

**Notes to the Financial Statements
For the year ended 30 September 2012**

13. Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	1,681,941	1,373,243	-	-
Other debtors	213,239	190,324	-	-
Prepayments and accrued income	180,363	327,150	-	-
	2,075,543	1,890,717	-	-

14. Creditors

Amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other loans	15,372	20,496	-	-
Trade creditors	1,194,083	1,260,918	-	-
Corporation tax	215,677	248,537	-	-
Social security and other taxes	73,467	71,357	493	493
Other creditors	99,204	56,012	-	-
Accruals and deferred income	171,907	143,282	-	-
	1,769,710	1,800,602	493	493

15. Creditors

Amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other loans	-	15,372	-	-

16 Deferred taxation

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
At beginning of year	108,896	136,376	-	-
(Released during)/charge for the year	(17,777)	(27,480)	-	-
At end of year	91,119	108,896	-	-

Swallow Holdings Limited

**Notes to the Financial Statements
For the year ended 30 September 2012**

16 Deferred taxation (continued)

The provision for deferred taxation is made up as follows

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	£	£	£	£
Accelerated capital allowances	<u>91,119</u>	<u>108,896</u>	<u>-</u>	<u>-</u>

17 Share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
20,000 Ordinary shares of £1 each	-	20,000
6,250 A Ordinary shares of £1 each	6,250	-
8,750 B Ordinary shares of £1 each	8,750	-
5,000 C Ordinary shares of £1 each	5,000	-
	<u>20,000</u>	<u>20,000</u>

During the year the company re-designated 20,000 Ordinary shares into 6,250 A Ordinary Shares, 8,750 B Ordinary shares and 5,000 C Ordinary shares

Each class of share ranks parri passu in all respects

18 Reserves

Group	Share premium account	Profit and loss account
	£	£
At 1 October 2011	390,000	3,338,764
Profit for the year	-	568,306
Dividends Equity capital	-	(300,000)
	<u>390,000</u>	<u>3,607,070</u>
At 30 September 2012		

Swallow Holdings Limited

**Notes to the Financial Statements
For the year ended 30 September 2012**

18 Reserves (continued)

	Share premium account £	Profit and loss account £
Company		
At 1 October 2011	390,000	517,846
Profit for the year	-	300,000
Dividends Equity capital	-	(300,000)
	<u>390,000</u>	<u>517,846</u>
At 30 September 2012		

19 Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Group		
Opening shareholders' funds	3,748,764	3,136,814
Profit for the year	568,306	611,950
Dividends (Note 20)	(300,000)	-
	<u>4,017,070</u>	<u>3,748,764</u>
Closing shareholders' funds		

	2012 £	2011 £
Company		
Opening shareholders' funds	927,846	927,846
Profit for the year	300,000	-
Dividends (Note 20)	(300,000)	-
	<u>927,846</u>	<u>927,846</u>
Closing shareholders' funds		

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account

The profit for the year dealt with in the accounts of the company was £300,000 (2011 - £NIL)

20. Dividends

	2012 £	2011 £
Dividends paid on equity capital	<u>300,000</u>	<u>-</u>

Swallow Holdings Limited

**Notes to the Financial Statements
For the year ended 30 September 2012**

21 Net cash flow from operating activities

	2012 £	2011 £
Operating profit	751,085	829,411
Amortisation of intangible fixed assets	85,431	95,180
Depreciation of tangible fixed assets	254,917	295,155
(Profit)/loss on disposal of tangible fixed assets	(6,000)	889
Decrease in stocks	9,944	2,236
(Increase)/decrease in debtors	(184,826)	35,285
Increase in creditors	7,092	186,654
Net cash inflow from operating activities	917,643	1,444,810

22 Analysis of cash flows for headings netted in cash flow statement

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	15,671	8,298
Interest paid	(307)	-
Hire purchase interest	(243)	(4,702)
Net cash inflow from returns on investments and servicing of finance	15,121	3,596

	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(30,000)	(2,520)
Sale of intangible fixed assets	6,000	-
Purchase of tangible fixed assets	(216,522)	(144,301)
Sale of tangible fixed assets	-	1,000
Net cash outflow from capital expenditure	(240,522)	(145,821)

	2012 £	2011 £
Financing		
Repayment of other loans	(20,496)	(20,496)
Repayment of finance leases	-	(25,166)
Net cash outflow from financing	(20,496)	(45,662)

Swallow Holdings Limited

Notes to the Financial Statements For the year ended 30 September 2012

23 Analysis of changes in net debt

	1 October 2011 £	Cash flow £	Other non-cash changes £	30 September 2012 £
Cash at bank and in hand	2,401,303	123,209	-	2,524,512
Debt:				
Finance leases	-	-	-	-
Debts due within one year	(20,496)	20,496	(15,372)	(15,372)
Debts falling due after more than one year	(15,372)	-	15,372	-
Net funds	2,365,435	143,705	-	2,509,140

24. Pension commitments

The group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £2,862 (2011 - £400,922).

25 Operating lease commitments

At 30 September 2012 the Group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2012	2011	2012	2011
Group	£	£	£	£
Expiry date:				
Within 1 year	63,250	73,750	11,453	5,976
Between 2 and 5 years	53,085	53,085	25,787	22,931
After more than 5 years	28,630	10,500	-	-

26 Related party transactions

During the period the group paid rent of £40,000 (2011 £40,000) to the Swallow Executive Pension Scheme. As at 29 September 2012 £12,000 (2011 £12,000) was due to the Swallow Executive Pension Scheme.

27. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Creamline Dairies Limited	England	100%	Retail of milk and dairy products