

3142746

**A.S H S LIMITED**  
**Report of the Directors and**  
**Consolidated Financial Statements**  
**For The Year Ended 31st December 2009**

THURSDAY



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30/09/2010  
COMPANIES HOUSE

**A.S.H.S LIMITED (REGISTERED NUMBER: 3142746)**

**Contents of the Consolidated Financial Statements  
For The Year Ended 31st December 2009**

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**A S.H S LIMITED**

**Company Information  
For The Year Ended 31st December 2009**

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**DIRECTORS.**

Mrs A Hindmarch  
Miss L J M Ephson  
Mr H J Seymour  
Mr D Orteu  
Mrs S E A Westerman  
Miss C H Southworth  
Mr S P Kearsey

**SECRETARY**

Mr M W Hindmarch

**REGISTERED OFFICE:**

The Stable Block  
Plough Brewery  
Battersea  
London  
SW8 3JX

**REGISTERED NUMBER:**

3142746

**BANKERS:**

HSBC Plc  
48 High Street  
Rayleigh  
Essex  
SS6 7JH

**Report of the Directors  
For The Year Ended 31st December 2009**

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The directors present their report with the financial statements of the company and the group for the year ended 31st December 2009

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of the design, manufacture and sale of luxury fashion handbags and accessories

The principal activity of the company's subsidiaries, ASHS USA Limited and ASHS East Coast Limited, was that of the retail only of luxury fashion handbags and accessories

**REVIEW OF BUSINESS**

**Principal Risks and Uncertainties**

The principal risk lies in the retention of key personnel within the business. We endeavour to keep them by providing an attractive environment in which to work, along with interesting financial packages to provide incentives. Another risk is of external competitors copying our propositions, whether wholly or in part.

Due to the international nature of the group's activities, the business has to review its net foreign exchange exposure on a regular basis. We employ various hedging strategies to ensure that our margins are not compromised. In an ever changing environment, it is essential for the business to undertake periodic reviews, on a rolling basis, to ensure that liquidity is never an issue.

The uncertainties revolve around the general economic climate that surrounds most luxury brands at this time along with the ability to satisfy the changing demands of a rapidly evolving and increasing market place.

**Fair Review of business**

The company distributes luxury products around the world through both Retail and Wholesale channels. We have many stores located in all of the major fashion cities.

Operating in an increasingly competitive market place the company, for the 12 months ending 31st December 2009, has continued to maintain a very strong hold on its operating activities and costs. This has allowed the business to show an increase in Operating Profit of some 82% despite there being a reduction in the overall turnover base. This reduction has principally arisen due to the de-stocking of many of the major international department stores in the recessionary environment.

Investments of both a capital and revenue nature have continued throughout the group to continue to support the global growth of the brand. The internal management team has continued to focus on improving both Product margins and Operating standards to ensure the business maintains its competitive position.

Market penetration continues to improve due to new and innovative product launches in both the year under review and months running up to the date of this report.

With the achievement of the final results for 2009 and the various strategies employed to accomplish them, the company finds itself well placed to continue expanding at a fairly healthy pace for the foreseeable future in new territories, along with new stores being opened in key locations that will support the brand's position.

**DIVIDENDS**

No dividends will be distributed for the year ended 31st December 2009

**Report of the Directors  
For The Year Ended 31st December 2009**

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**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st January 2009 to the date of this report

Mrs A Hindmarch  
Miss L J M Ephson  
Mr H J Seymour  
Mr D Orteu  
Mrs S E A Westerman  
Miss C H Southworth

Other changes in directors holding office are as follows

Mr J Drinkwater - resigned 27th January 2009  
Mr S P Kearsey - appointed 12th February 2009

**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 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 judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group'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.

**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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

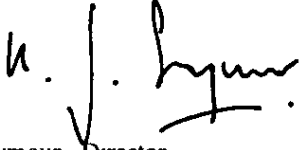
**Report of the Directors  
For The Year Ended 31st December 2009**

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**AUDITORS**

The auditors, Wilkins Kennedy, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD**

A handwritten signature in black ink, appearing to read 'H. J. Seymour', with a stylized flourish at the end.

H J Seymour - Director

29th September 2010

**Report of the Independent Auditors to the Members of  
A.S.H.S Limited**

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We have audited the financial statements of A.S.H.S Limited for the year ended 31st December 2009 on pages six to twenty. 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 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.

**Opinion on financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2009 and of the group's profit for the year then ended,
- the group financial statements 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.

**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.



Mark Norton (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy  
Chartered Accountants  
& Statutory Auditor  
Bridge House  
London Bridge  
London  
SE1 9QR

29th September 2010

**A S H S LIMITED (REGISTERED NUMBER: 3142746)****Consolidated Profit and Loss Account  
For The Year Ended 31st December 2009**

	Notes	2009 £	2008 £
<b>TURNOVER</b>		17,838,327	19,398,148
Cost of sales		(8,656,768)	(9,355,474)
<b>GROSS PROFIT</b>		9,181,559	10,042,674
Administrative expenses		(8,700,324)	(9,763,036)
<b>OPERATING PROFIT</b>	3	481,235	279,638
Interest receivable and similar income		5,281	19,507
		486,516	299,145
Interest payable and similar charges	4	(99,393)	(118,990)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		387,123	180,155
Tax on profit on ordinary activities	5	(140,766)	8,827
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		246,357	188,982

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

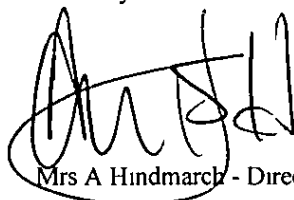


**A.S.H S LIMITED (REGISTERED NUMBER: 3142746)**

**Consolidated Balance Sheet  
31st December 2009**

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Intangible assets	7	1	1
Tangible assets	8	1,704,180	2,071,881
Investments	9	-	-
		<u>1,704,181</u>	<u>2,071,882</u>
<b>CURRENT ASSETS</b>			
Stocks	10	5,142,826	5,270,770
Debtors	11	2,171,073	2,036,633
Cash at bank and in hand		371,781	150,477
		<u>7,685,680</u>	<u>7,457,880</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(3,422,743)	(3,687,033)
<b>NET CURRENT ASSETS</b>		<u>4,262,937</u>	<u>3,770,847</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,967,118	5,842,729
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(149,393)	(244,187)
<b>PROVISIONS FOR LIABILITIES</b>	17	(121,260)	(148,434)
<b>NET ASSETS</b>		<u><u>5,696,465</u></u>	<u><u>5,450,108</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	67,147	67,147
Share premium	19	3,829,090	3,829,090
Profit and loss account	19	1,800,228	1,553,871
<b>SHAREHOLDERS' FUNDS</b>	21	<u><u>5,696,465</u></u>	<u><u>5,450,108</u></u>

The financial statements were approved by the Board of Directors on 29th September 2010 and were signed on its behalf by

  
Mrs A Hindmarch - Director

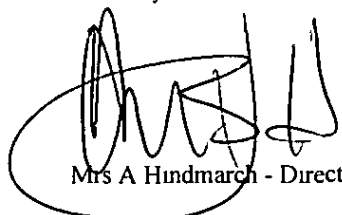
The notes form part of these financial statements

**A.S.H.S LIMITED (REGISTERED NUMBER: 3142746)**

**Company Balance Sheet  
31st December 2009**

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Intangible assets	7	1	1
Tangible assets	8	1,346,584	2,031,070
Investments	9	2	2
		<u>1,346,587</u>	<u>2,031,073</u>
<b>CURRENT ASSETS</b>			
Stocks	10	4,997,076	5,096,486
Debtors	11	3,548,663	2,812,845
Cash at bank		292,884	44,826
		<u>8,838,623</u>	<u>7,954,157</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(3,421,478)	(3,675,605)
<b>NET CURRENT ASSETS</b>		<u>5,417,145</u>	<u>4,278,552</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>6,763,732</u>	<u>6,309,625</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(149,393)	(244,187)
<b>PROVISIONS FOR LIABILITIES</b>	17	(124,247)	(152,808)
<b>NET ASSETS</b>		<u><u>6,490,092</u></u>	<u><u>5,912,630</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	67,147	67,147
Share premium	19	3,829,090	3,829,090
Profit and loss account	19	2,593,855	2,016,393
<b>SHAREHOLDERS' FUNDS</b>	21	<u><u>6,490,092</u></u>	<u><u>5,912,630</u></u>

The financial statements were approved by the Board of Directors on 29th September 2010 and were signed on its behalf by

  
Mrs A Hindmarch - Director

The notes form part of these financial statements

**A S H S LIMITED (REGISTERED NUMBER: 3142746)**

**Consolidated Cash Flow Statement  
For The Year Ended 31st December 2009**

	Notes	2009 £	2008 £
<b>Net cash inflow from operating activities</b>	<b>1</b>	620,176	1,179,552
<b>Returns on investments and servicing of finance</b>	<b>2</b>	(94,112)	(99,483)
<b>Taxation</b>		(23,788)	-
<b>Capital expenditure</b>	<b>2</b>	(189,967)	(415,923)
		<u>312,309</u>	<u>664,146</u>
<b>Financing</b>	<b>2</b>	(91,005)	(100,860)
<b>Increase in cash in the period</b>		<u>221,304</u>	<u>563,286</u>
<b>Reconciliation of net cash flow to movement in net debt</b>	<b>3</b>		
Increase in cash in the period		221,304	563,286
Cash outflow from decrease in debt		<u>88,726</u>	<u>100,860</u>
Change in net debt resulting from cash flows		<u>310,030</u>	<u>664,146</u>
<b>Movement in net debt in the period</b>		310,030	664,146
<b>Net debt at 1st January</b>		<u>(177,848)</u>	<u>(841,994)</u>
<b>Net funds/(debt) at 31st December</b>		<u>132,182</u>	<u>(177,848)</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement  
For The Year Ended 31st December 2009**

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2009	2008
	£	£
Operating profit	481,235	279,638
Depreciation charges	559,947	521,354
Decrease/(Increase) in stocks	127,944	(507,672)
Increase in debtors	(134,440)	(925,853)
(Decrease)/Increase in creditors	(414,510)	1,812,085
<b>Net cash inflow from operating activities</b>	<u>620,176</u>	<u>1,179,552</u>

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

	2009	2008
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	5,281	19,507
Interest paid	(99,393)	(118,990)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u>(94,112)</u>	<u>(99,483)</u>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(593,100)	(415,923)
Sale of tangible fixed assets	403,133	-
<b>Net cash outflow for capital expenditure</b>	<u>(189,967)</u>	<u>(415,923)</u>
<b>Financing</b>		
Loan repayments in year	(88,728)	(100,860)
Depreciation charge write back	(2,277)	-
<b>Net cash outflow from financing</b>	<u>(91,005)</u>	<u>(100,860)</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement  
For The Year Ended 31st December 2009

## 3 ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/09 £	Cash flow £	At 31/12/09 £
Net cash			
Cash at bank and in hand	150,477	221,304	371,781
	<u>150,477</u>	<u>221,304</u>	<u>371,781</u>
Debt			
Debts falling due within one year	(84,138)	(6,068)	(90,206)
Debts falling due after one year	(244,187)	94,794	(149,393)
	<u>(328,325)</u>	<u>88,726</u>	<u>(239,599)</u>
Total	<u>(177,848)</u>	<u>310,030</u>	<u>132,182</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements  
For The Year Ended 31st December 2009

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1 ACCOUNTING POLICIES

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary undertakings) Where necessary adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group All intra-group transactions, balances, income and expenses are eliminated on consolidation

The Parent Company has not presented its own profit and loss account and related notes as permitted by Section 408 of the Companies Act 2006

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax

**Tangible fixed assets**

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

Short leasehold	- Depreciated over the period of the lease
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

**Stocks**

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

**Deferred tax**

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction Exchange differences are taken into account in arriving at the operating result

**Hire purchase and leasing commitments**

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

**Investments**

Investments are included at cost less amounts written off Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities

**Pensions**

The company operates a money purchase pension scheme for certain employees The cost of the contribution is charged to the profit and loss account as incurred

2 STAFF COSTS

	2009	2008
	£	£
Wages and salaries	<u>3,605,701</u>	<u>3,969,532</u>

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2009**

**2 STAFF COSTS - continued**

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

	2009	2008
Average number of employees	<u>96</u>	<u>93</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2009 £	2008 £
Other operating leases	2,270,717	2,123,133
Depreciation - owned assets	559,944	521,354
Auditors' remuneration	5,843	13,250
Auditors' remuneration for non audit work	15,000	16,750
Foreign exchange differences	<u>(1,420)</u>	<u>774</u>

Directors' remuneration	<u>510,631</u>	<u>600,556</u>
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Information regarding the highest paid director is as follows

	2009 £	2008 £
Emoluments etc	<u>157,750</u>	<u>181,528</u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	2009 £	2008 £
Bank interest	<u>99,393</u>	<u>118,990</u>

**5 TAXATION**

**Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	2009 £	2008 £
Current tax		
UK corporation tax	167,940	18,505
Deferred tax	<u>(27,174)</u>	<u>(27,332)</u>
Tax on profit on ordinary activities	<u>140,766</u>	<u>(8,827)</u>

**6 PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £577,462 (2008 - £228,444)

Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2009

7 INTANGIBLE FIXED ASSETS

Group

Patents  
and  
licences  
£

**COST**

At 1st January 2009  
and 31st December 2009

1

**NET BOOK VALUE**

At 31st December 2009

1

At 31st December 2008

1

Company

Patents  
and  
licences  
£

**COST**

At 1st January 2009  
and 31st December 2009

1

**NET BOOK VALUE**

At 31st December 2009

1

At 31st December 2008

1



Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2009

## 8 TANGIBLE FIXED ASSETS

## Group

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1st January 2009	1,311,550	2,671,703	25,150	4,008,403
Additions	-	593,100	-	593,100
Disposals	-	(449,623)	-	(449,623)
At 31st December 2009	1,311,550	2,815,180	25,150	4,151,880
<b>DEPRECIATION</b>				
At 1st January 2009	1,020,593	890,779	25,150	1,936,522
Charge for year	133,153	426,791	-	559,944
Eliminated on disposal	-	(46,490)	-	(46,490)
Charge written back	-	(2,276)	-	(2,276)
At 31st December 2009	1,153,746	1,268,804	25,150	2,447,700
<b>NET BOOK VALUE</b>				
At 31st December 2009	157,804	1,546,376	-	1,704,180
At 31st December 2008	290,957	1,780,924	-	2,071,881

## Company

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1st January 2009	840,260	2,657,657	25,150	3,523,067
Additions	-	188,646	-	188,646
Disposals	-	(449,623)	-	(449,623)
At 31st December 2009	840,260	2,396,680	25,150	3,262,090
<b>DEPRECIATION</b>				
At 1st January 2009	584,389	882,458	25,150	1,491,997
Charge for year	98,066	374,209	-	472,275
Eliminated on disposal	-	(46,490)	-	(46,490)
Charge written back	-	(2,276)	-	(2,276)
At 31st December 2009	682,455	1,207,901	25,150	1,915,506
<b>NET BOOK VALUE</b>				
At 31st December 2009	157,805	1,188,779	-	1,346,584
At 31st December 2008	255,871	1,775,199	-	2,031,070

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2009**

**9 FIXED ASSET INVESTMENTS**

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 1st January 2009	
and 31st December 2009	<u>2</u>
<b>NET BOOK VALUE</b>	
At 31st December 2009	<u>2</u>
At 31st December 2008	<u>2</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following

**Subsidiaries**

**ASHS USA Limited**

Country of incorporation England & Wales

Nature of business Retailer of handbags and fashion accessories

	%		
Class of shares	holding	2009	2008
Ordinary	100 00	£	£
Aggregate capital and reserves		(301,313)	(115,862)
Loss for the year		<u>(185,451)</u>	<u>(40,036)</u>

**ASHS East Coast Limited**

Country of incorporation England & Wales

Nature of business Retailer of handbags and fashion accessories

	%		
Class of shares	holding	2009	2008
Ordinary	100 00	£	£
Aggregate capital and reserves		(492,311)	(346,658)
(Loss)/Profit for the year		<u>(145,653)</u>	<u>577</u>

**10 STOCKS**

	<b>Group</b>		<b>Company</b>	
	2009	2008	2009	2008
	£	£	£	£
Stocks	<u>5,142,826</u>	<u>5,270,770</u>	<u>4,997,076</u>	<u>5,096,486</u>

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2009**

**11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	995,801	857,026	995,801	857,026
Amounts owed by group undertakings	-	-	1,396,217	787,668
Other debtors	1,175,272	1,179,607	1,156,645	1,168,151
	<u>2,171,073</u>	<u>2,036,633</u>	<u>3,548,663</u>	<u>2,812,845</u>

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2009	2008	2009	2008
	£	£	£	£
Bank loans and overdrafts (see note 14)	90,206	84,138	90,206	84,138
Trade creditors	2,462,146	2,137,801	2,462,146	2,137,801
Tax	162,657	18,505	162,657	18,505
Other creditors	707,734	1,446,589	706,469	1,435,161
	<u>3,422,743</u>	<u>3,687,033</u>	<u>3,421,478</u>	<u>3,675,605</u>

**13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2009	2008	2009	2008
	£	£	£	£
Bank loans (see note 14)	<u>149,393</u>	<u>244,187</u>	<u>149,393</u>	<u>244,187</u>

**14 LOANS**

An analysis of the maturity of loans is given below

	<b>Group</b>		<b>Company</b>	
	2009	2008	2009	2008
	£	£	£	£
Amounts falling due within one year or on demand				
Bank loans	<u>90,206</u>	<u>84,138</u>	<u>90,206</u>	<u>84,138</u>
Amounts falling due between one and two years				
Bank loans - 1-2 years	<u>90,206</u>	<u>84,138</u>	<u>90,206</u>	<u>84,138</u>
Amounts falling due between two and five years				
Bank loans - 2-5 years	<u>59,187</u>	<u>160,049</u>	<u>59,187</u>	<u>160,049</u>

Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2009

15 OPERATING LEASE COMMITMENTS

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

Company

	Land and buildings		Other operating leases	
	2009	2008	2009	2008
	£	£	£	£
Expiring				
Within one year	114,902	653,348	-	14,630
Between one and five years	463,562	975,609	452,906	-
In more than five years	332,852	-	-	-
	<u>911,316</u>	<u>1,628,957</u>	<u>452,906</u>	<u>14,630</u>

16 SECURED DEBTS

The following secured debts are included within creditors

	Company	
	2009	2008
	£	£
Bank loans	<u>239,599</u>	<u>328,325</u>

17 PROVISIONS FOR LIABILITIES

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Deferred tax	<u>121,260</u>	<u>148,434</u>	<u>124,247</u>	<u>152,808</u>
<b>Group</b>				
				Deferred tax
				£
Balance at 1st January 2009				148,434
Decrease in Deferred tax				(27,174)
Balance at 31st December 2009				<u>121,260</u>
<b>Company</b>				
				Deferred tax
				£
Balance at 1st January 2009				152,808
Movement in provision				(28,561)
Balance at 31st December 2009				<u>124,247</u>

**Notes to the Consolidated Financial Statements - continued**  
**For The Year Ended 31st December 2009**

**18 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value	2009 £	2008 £
45,000	Ordinary	£1	40,320	40,320
10,786	Ordinary	50p	5,393	5,393
21,434	Preferred Ordinary	£1	21,434	21,434
			<u>67,147</u>	<u>67,147</u>

The breakdown of the 50p ordinary shares is shown in the table below -

Share Type	No of shares in issue 2009	No of shares in issue 2008	£2009	£2008
Ordinary "A" 50p each	4,143	4,143	2,072	2,072
Ordinary "B" 50p each	4,143	4,143	2,072	2,072
Ordinary "C" 50p each	1,250	1,250	625	625
Ordinary "D" 50p each	1,250	1,250	625	625

The ordinary £1 shares are broken down into 40,319 ordinary shares and 1 Ordinary "E" share

On any return of assets on liquidation, reduction of capital or otherwise (except on a redemption or purchase by the company of any shares), the surplus assets of the company remaining after the payment of its liabilities will be applied firstly to the Preferred Ordinary shares and subsequently to the remaining Ordinary shareholders

**19 RESERVES****Group**

	Profit and loss account £	Share premium £	Totals £
At 1st January 2009	1,553,871	3,829,090	5,382,961
Profit for the year	<u>246,357</u>		<u>246,357</u>
At 31st December 2009	<u>1,800,228</u>	<u>3,829,090</u>	<u>5,629,318</u>

**Company**

	Profit and loss account £	Share premium £	Totals £
At 1st January 2009	2,016,393	3,829,090	5,845,483
Profit for the year	<u>577,462</u>		<u>577,462</u>
At 31st December 2009	<u>2,593,855</u>	<u>3,829,090</u>	<u>6,422,945</u>

Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2009

20 RELATED PARTY DISCLOSURES

Payments have been made in the period in respect of consultancy services received during the year from M W Hindmarch, a related party by virtue of his shareholding. These payments totalled £6,840 for the year (2008 £13,414), the balance owed at the year end was £Nil (2008 £Nil)

The above transactions were undertaken in the normal course of trading

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2009 £	2008 £
Profit for the financial year	246,357	188,982
Net addition to shareholders' funds	246,357	188,982
Opening shareholders' funds	5,450,108	5,261,126
Closing shareholders' funds	5,696,465	5,450,108

Company

	2009 £	2008 £
Profit for the financial year	577,462	228,444
Cash share issue		
Net addition to shareholders' funds	577,462	228,444
Opening shareholders' funds	5,912,630	5,684,186
Closing shareholders' funds	6,490,092	5,912,630