

DESIGNPLAN MANAGEMENT SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2009

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DESIGNPLAN MANAGEMENT SERVICES LIMITED

31 December 2009

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DESIGNPLAN MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT

31 December 2009

The directors present their report and the audited financial statements for the year ended 31 December 2009

Principal activity

The principal activity of the group is the design, manufacture and sale of light fittings both in the home and export markets and the design, manufacture and sale of steel kitchens and lighting control systems in the home market

Business review

Most markets during the year held up well despite the economic troubles experienced in most areas of the economy. Volatility in costs in both energy and materials were avoided somewhat by buying forward assisting the annual results. Generally a very satisfactory performance considering the uncertainty in the markets.

Research and Development

The company continues its research and development program to both improve existing product ranges and to create new products for the future.

Profit, dividends and appropriations

The results for the year are shown in the consolidated profit and loss account on page 5.

The directors paid a dividend of £300,000 during the year.

Future developments

The continued economic uncertainty will effect business as orders are delayed in being placed. The General Election and change in Government brings with it a period where the economic position will be faced up to with the result that governmental expenditure will be under serious pressure. It is likely that this will have a significant affect in the short and medium term while this process settles down and therefore with reduced actual gross profit (but not margin), net profit will be under serious pressure. Basic infrastructure however will still have to be maintained in the long term and therefore the long term future of the group is still good.

Directors

The directors of the company during the year were as follows

D A Cumper

M J Cumper

P Williamson (appointed 20 October 2009)

Charitable donations

During the year the group made political donations totalling £600 to the Conservative Party.

Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

DESIGNPLAN MANAGEMENT SERVICES LIMITED

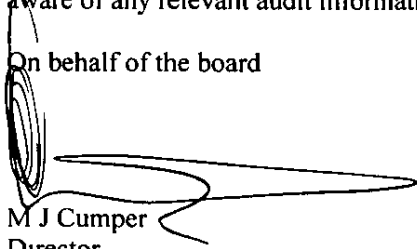
DIRECTORS' REPORT

31 December 2009
(continued)

Statement as to disclosure of information to auditor

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the board



M J Cumper
Director

29 July 2010

Wealdstone Road
Kimpton Industrial Estate
Sutton
Surrey
SM3 9RW

DESIGNPLAN MANAGEMENT SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 group and the company and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DESIGNPLAN MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of Designplan Management Services Limited

We have audited the group and parent company financial statements (the "financial statements") on pages 5 to 28. 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 auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2009 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.

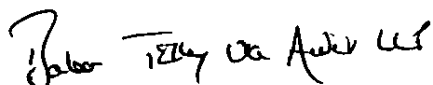
Opinion on other matters prescribed by the Companies Act 2006

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.

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.



JONATHAN ERICSON (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

12 Gleneagles Court

Crawley, West Sussex, RH10 6AD

30 July 2010

DESIGNPLAN MANAGEMENT SERVICES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2009

	Note	2009 £	2008 £
Turnover	2	19,972,639	18,899,953
Cost of sales		(9,733,352)	(9,686,093)
Gross profit		10,239,287	9,213,860
Distribution costs		(2,103,112)	(2,260,618)
Administrative expenses (including foreign exchange gains £64,109 (2008 £507,858) and impairment of goodwill £284,989 (2008 £nil))		(7,051,901)	(5,514,617)
Other operating income	4	167,129	193,771
Operating profit	5	1,251,403	1,632,396
Profit on disposal of subsidiaries		-	433,021
Profit on ordinary activities before interest		1,251,403	2,065,417
Interest receivable	7	4,415	75,642
Interest payable	8	(52,043)	(142,854)
Profit on ordinary activities before taxation		1,203,775	1,998,205
Tax on profit on ordinary activities	9	(481,740)	(507,357)
Profit on ordinary activities after taxation		772,035	1,490,848
Minority interest in profit (equity)		(389,217)	(261,389)
Profit for the year	20	332,818	1,229,459

The company is exempt from publishing the parent's profit and loss account under section 408 of the Companies Act 2006

The profit for the year arises from the group's continuing activities

There were no historical cost profits or losses, other than included in the profit and loss account, in either year

DESIGNPLAN MANAGEMENT SERVICES LIMITED

CONSOLIDATED STATEMENT OF TOTAL

RECOGNISED GAINS AND LOSSES

for the year ended 31 December 2009

	2009	2008
	£	£
Profit for the financial year	332,818	1,229,459
Currency transaction differences on foreign currency net investments	(23,580)	41,651
Total gains and losses recognised relating to the year	<u>309,238</u>	<u>1,271,110</u>

DESIGNPLAN MANAGEMENT SERVICES LIMITED

(Company registration no. 3817489)
CONSOLIDATED BALANCE SHEET

at 31 December 2009

	Note	2009 £	2008 £
Fixed assets			
Intangible assets	10	51,979	103,957
Tangible assets	11	3,142,041	3,274,521
		<u>3,194,020</u>	<u>3,378,478</u>
Current assets			
Stocks	13	3,426,264	3,459,357
Deferred tax	18	327,702	339,432
Debtors due within one year	14	3,954,910	4,501,620
Cash at bank and in hand		2,663,879	1,814,702
		<u>10,372,755</u>	<u>10,115,111</u>
Creditors: amounts falling due within one year	15	<u>3,826,327</u>	<u>4,567,167</u>
Net current assets		<u>6,546,428</u>	<u>5,547,944</u>
Total assets less current liabilities		<u>9,740,448</u>	<u>8,926,422</u>
Creditors: amounts falling due after more than one year	16	1,192,852	1,056,658
Provisions for liabilities	17	<u>609,328</u>	<u>595,457</u>
		<u>1,802,180</u>	<u>1,652,115</u>
		<u>7,938,268</u>	<u>7,274,307</u>
Capital and reserves			
Called up share capital	19	360,400	360,400
Merger capital		214,575	214,575
Profit and loss account	20	6,220,286	6,211,048
Shareholders' funds	21	6,795,261	6,786,023
Minority interest (equity)		1,143,007	488,284
Shareholders' funds		<u>7,938,268</u>	<u>7,274,307</u>

The financial statements on pages 5 to 28 were approved and authorised for issue by the board of directors on 29 July 2010 and signed on its behalf by


M J Cumper
Director

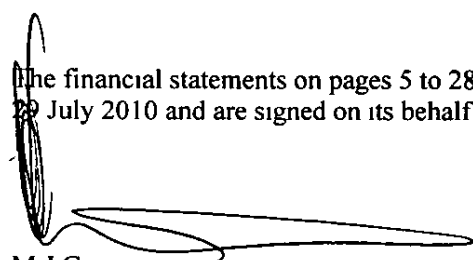
DESIGNPLAN MANAGEMENT SERVICES LIMITED

(Company registration no. 3817489)
COMPANY BALANCE SHEET

at 31 December 2009

	Note	2009		2008	
		£	£	£	£
Fixed assets					
Tangible assets	11		2,503,438		2,558,686
Investments	12		1,000,565		1,000,509
			<u>3,504,003</u>		<u>3,559,195</u>
Current assets					
Deferred tax asset	18	124,415		123,057	
Debtors due within one year	14	415,902		199,394	
Cash at bank and in hand		1,620,614		1,215,713	
		<u>2,160,931</u>		<u>1,538,164</u>	
Creditors: amounts falling due within one year	15	1,500,667		1,061,859	
Net current assets			<u>660,264</u>		<u>476,305</u>
Total assets less current liabilities			<u>4,164,267</u>		<u>4,035,500</u>
Creditors: amounts falling due after more than one year	16	1,103,370		1,056,658	
Provisions for liabilities	17	440,000		435,000	
			<u>1,543,370</u>		<u>1,491,658</u>
			<u>2,620,897</u>		<u>2,543,842</u>
Capital and reserves					
Called up share capital	19		360,400		360,400
Profit and loss account	20		2,260,497		2,183,442
			<u>2,620,897</u>		<u>2,543,842</u>

The financial statements on pages 5 to 28 were approved and authorised for issue by the board of directors on 29 July 2010 and are signed on its behalf by


M J Cumper
Director

DESIGNPLAN MANAGEMENT SERVICES LIMITED

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2009

	Note	£	2009 £	£	2008 £
Net cash inflow from operating activities	23		2,475,141		1,047,820
Returns on investment and servicing of finance					
Interest received		4,415		75,642	
Interest paid		(52,043)		(136,976)	
Interest element of finance lease rental		-		(5,878)	
Net cash outflow from returns on investment and servicing of finance			(47,628)		(67,212)
Taxation					
Net corporation tax paid			(545,292)		(243,263)
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(167,934)		(233,214)	
Receipts from sale of tangible fixed assets		11,892		10,996	
			(156,042)		(222,218)
Acquisitions and disposals					
Purchase of shares in subsidiary undertaking			(56)		-
Sale of subsidiary			-		56
Dividends					
Equity dividends paid			(300,000)		-
Net cash inflow before financing			1,426,123		515,183
Financing					
Advance on bank and other loans		302,764		-	
Repayment of borrowings		(150,241)		(375,172)	
Net cash inflow/ (outflow) from financing			152,523		(375,172)
Increase in cash in the year	25		1,578,646		140,011

DESIGNPLAN MANAGEMENT SERVICES LIMITED
NOTES ON FINANCIAL STATEMENTS

31 December 2009

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under historical cost convention. All the group's activities are classed as continuing.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of all other subsidiary companies on an acquisition basis. Subsidiaries acquired during the year are consolidated from the date control of share capital was transferred. Subsidiary companies are those where there is a dominant influence exercised and/or a unified management structure. The difference between cost of acquisition of the shares in subsidiaries and the fair value of the separate net assets acquired is capitalised and written off on a straight line basis over its estimated economic life. Provision is made for impairment. All financial statements are made up to 31 December 2009. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Goodwill

Goodwill arising on consolidation and purchased goodwill (prior to the introduction of FRS 10) are written off directly against reserves. Since the introduction of FRS 10, goodwill, representing the excess of the purchase price compared with the fair value of net assets acquired, is capitalised and written off evenly over 5 years, subject to provision made for impairment, as in the opinion of directors this presents the period over which goodwill is effective.

Investments

Investments in Designplan Management Services Limited company balance sheet are included at cost less provision for diminution in value.

Turnover

Turnover represents the amount derived from the provision of goods and services to third parties which fall within the group's ordinary activities, stated net of value added tax.

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009

(continued)

1 Principal accounting policies (continued)

Depreciation

Depreciation of tangible fixed assets is charged by equal annual instalments commencing with the year of acquisition at rates estimated to write off their cost less any residual value over the expected useful lives, which are as follows -

Freehold property	-	40 years
Leasehold property	-	Over period of lease
Computerised plant and machinery	-	3 years
Other plant, machinery and tools	-	3 - 10 years
Office equipment, fixtures and fittings	-	5 - 10 years
Motor vehicles	-	5 years

Finance leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the cost at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in accordance a reducing balance method and charged to the profit and loss account

Rentals paid under operating leases are charged to the profit and loss account as incurred

Stocks

Stocks, including work in progress, are valued at the lower of cost, including an addition for production overheads, where appropriate, and net realisable value Allowance has been made for obsolete or slow moving items

Investment income

Income from lease of properties is included in the profit and loss as they accrue

Research and development

Expenditure on research and development in the year is charged to the profit and loss account on an accruals basis

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange ruling at the date of the transaction Adjustments due to currency fluctuations arising in the normal course of business are dealt with in the profit and loss account

The financial statements of overseas subsidiary companies are translated into sterling at the closing rates of exchange at the balance sheet date and the difference arising from the translation of opening net investment at the closing rate is taken direct to reserves

All other translation differences are dealt with in the profit and loss account

Defined contribution pension fund

Contributions to the pension fund are charged to the profit and loss account as they become payable in accordance with the rules of the fund

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009

(continued)

1 Principal accounting policies (continued)

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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results are stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

Constructive obligations under various onerous contracts

Obligations are recognised under various onerous contracts on the date an onerous obligation liability becomes probable. This is an estimation by the directors and is based on contracts and actual claims experience to date.

Liquid resources

Treasury deposits on the Money Market are classed within the cashflow statement as cash movements when they relate to short term deposits repayable within 24 hours. Treasury deposits between 2 days and one year are included within liquid resources as net cash inflows or outflows.

Share based payments

The Company issued equity-settled share based payments to certain employees and has applied the disclosure requirements of FRS 20 "share based payments". As disclosed in note 27 no provision is made for the charge in the year due to the amount being immaterial to the results of the company.

2 Turnover

	2009	2008
	£	£
United Kingdom	14,348,279	13,158,559
Europe	1,290,519	1,247,366
North America	4,062,099	4,463,035
Far East	265,891	27,106
Other	5,851	3,887
	<u>19,972,639</u>	<u>18,899,953</u>

3 Dividends

	2009	2008
	£	£
Dividends paid on ordinary shares in the year - 83 2639 pence per share (2008 nil)	300,000	-
	<u>300,000</u>	<u>-</u>

4 Other operating income

	2009	2008
	£	£
Rent receivable	167,129	193,771
	<u>167,129</u>	<u>193,771</u>

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

	2009 £	2008 £
5 Operating profit		
Operating profit is stated after charging/(crediting)		
Depreciation		
- owned assets	251,366	377,210
Amortisation of goodwill	51,978	51,978
Goodwill impairment	284,989	-
(Profit)/loss on fixed asset disposal	(1,500)	(5,179)
Operating leases		
- plant and machinery hire	22,185	10,917
- other assets	323,002	336,144
Net foreign exchange gains	(64,109)	(507,858)
Group auditors' remuneration		
- audit	38,000	38,000
	<hr/>	<hr/>
	2009 No	2008 No
6 Directors and employees		
The average number of persons employed by the group (including executive directors) during the year was		
Production	142	137
Sales	65	69
Administration	27	25
	<hr/>	<hr/>
	234	231
	<hr/>	<hr/>
The aggregate staff costs were	£	£
Wages and salaries	5,865,806	5,450,492
Social security costs	547,467	518,661
Other pension costs	160,405	141,025
	<hr/>	<hr/>
	6,573,678	6,110,178
	<hr/>	<hr/>

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

	2009 £	2008 £
6 Directors and employees (continued)		
Directors		
Directors' emoluments		
- emoluments	604,007	417,984
- pension contributions	44,833	44,000
	<u>648,840</u>	<u>461,984</u>
 Highest paid director - emoluments	 292,544	 216,879
- pension contributions	22,000	22,000
	<u>314,544</u>	<u>238,879</u>
 Defined contribution pension funds		
<p>The group operates three types of defined contributions pension scheme Two of these are funded defined contribution group personal pension plans where the assets are held separately for individual members and are not available generally to all members One director (2008 nil) benefitted from these plans at the year end The total contributions to these plans were £116,405 (2008 £97,025)</p> <p>The group's other scheme is a defined contribution pension fund The assets of the fund are held separately from those of the company in an independently administered fund Two directors (2008 two) benefitted from this fund as at the year end The pension cost charge payable by the group to the pension scheme amounted to £44,000 (2008 £44,000)</p>		
	2009 £	2008 £
7 Interest receivable		
Bank interest	4,415	74,456
Other interest	-	1,186
	<u>4,415</u>	<u>75,642</u>
 8 Interest payable		
Bank loan and overdrafts	36,908	98,198
Hire purchase contracts	-	5,878
Directors' loan account interest	11,549	38,778
Other interest	3,586	-
	<u>52,043</u>	<u>142,854</u>

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

9	Taxation	2009 £	2008 £
	a) Analysis of change in year		
	Current UK tax		
	- Corporation tax on profits of the year	487,416	460,793
	- Adjustment in respect of prior years	(920)	(871)
		<u>486,496</u>	<u>459,922</u>
	Current foreign tax		
	- Foreign tax (credit)/charge for the year	(7,472)	43,476
		<u>479,024</u>	<u>503,398</u>
	Total current tax charge for the year		
	Deferred tax		
	- Origination of UK timing differences	13,263	(9,744)
	- Origination of overseas timing differences	(10,547)	13,703
		<u>2,716</u>	<u>3,959</u>
	Total deferred tax charge for the year		
	Tax on profit on ordinary activities	<u>481,740</u>	<u>507,357</u>

b) Factors that may affect future tax changes

Based on current capital investment plans, the group expects to be able to claim capital allowances in excess of depreciation in future years but at a slightly different level than in the current year.

The group has brought and carried forward capital losses of £160,948 (2008 £160,948) and trading losses carried forward which could significantly reduce tax payments in future years

The group's overseas tax rates are different from these in the UK and the group expects an increase in the future rates charged overseas

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

9	Taxation (continued)	2009 £	2008 £
	c) Factors affecting tax charge for the year		
	The current tax assessed for the year is higher than the effective standard rate of corporation tax in the United Kingdom of 28% (2008 28.5%) as explained below		
	Profit on ordinary activities before tax	1,203,775	1,998,205
	Profit on ordinary activities multiplied by the effective standard rate of UK corporation tax of 28% (2008 28.5%)	337,057	569,488
	Effects of		
	- Net expenses not deductible for tax purposes	60,812	59,771
	- Income not taxable	-	(135,259)
	- Capital allowances in (excess)/deficit of depreciation	(14,559)	12,000
	- Impairment of goodwill not allowable	79,797	-
	- Unrelieved tax losses	17,609	7,114
	- Overseas earnings	11,266	(48,748)
	- Marginal relief	(4,717)	(885)
	- Short term timing differences	151	3,167
	- Other adjustments	-	(5,855)
		487,416	460,793
	Adjustments in respect of prior years	(920)	(871)
	Current UK tax	486,496	459,922
10	Intangible fixed assets	Goodwill £	
	Cost		
	At 1 January 2009	259,891	
	Additions	284,989	
	At 31 December 2009	544,880	
	Amortisation		
	At 1 January 2009	155,934	
	Charge for the year	51,978	
	Impairment charge for the year	284,989	
	At 31 December 2009	492,901	
	Net book value		
	31 December 2009	51,979	
	31 December 2008	103,957	

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

11 Tangible fixed assets

Group	Land and buildings £	Plant, machinery and tools £	Computer, furniture and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2009	3,870,705	4,246,858	1,287,148	76,884	9,481,595
Additions	-	98,704	44,430	24,800	167,934
Disposals	-	-	-	(23,094)	(23,094)
Exchange movement	(42,171)	(31,992)	(10,220)	-	(84,383)
At 31 December 2009	3,828,534	4,313,570	1,321,358	78,590	9,542,052
Accumulated depreciation					
At 1 January 2009	968,077	4,049,598	1,153,145	36,254	6,207,074
Charged for the year	63,799	137,966	37,468	12,133	251,366
Disposals	-	-	-	(12,702)	(12,702)
Exchange movement	(8,654)	(30,101)	(6,972)	-	(45,727)
At 31 December 2009	1,023,222	4,157,463	1,183,641	35,685	6,400,011
Net book value					
31 December 2009	2,805,312	156,107	137,717	42,905	3,142,041
31 December 2008	2,902,628	197,260	134,003	40,630	3,274,521

The net book value of land and buildings includes

	Cost £	Accumulated depreciation £	Net book value £
Freehold property and leasehold improvements	390,624	88,730	301,894
Long leaseholds	2,166,405	361,333	1,805,072
Short leaseholds	1,271,505	573,159	698,346
	3,828,534	1,023,222	2,805,312

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

11 Tangible fixed assets (continued)

Company

	Land and buildings £
Cost	
At 1 January 2009	3,437,910
Additions	-
31 December 2009	<u>3,437,910</u>
Accumulated depreciation	
At 1 January 2009	879,224
Charged for the year	55,248
At 31 December 2009	<u>934,472</u>
Net book value	
31 December 2009	<u>2,503,438</u>
31 December 2008	<u>2,558,686</u>

The net book value of land and buildings includes

	Cost £	Accumulated depreciation £	Net book value £
Long leaseholds	2,166,405	361,333	1,805,072
Short leaseholds	1,271,505	573,139	698,366
	<u>3,437,910</u>	<u>934,472</u>	<u>2,503,438</u>

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

12 Fixed asset investments

Company	Subsidiaries
Shares in group undertakings	£
Cost	
At 1 January 2009	1,260,400
Additions	56
Disposals	-
At 31 December 2009	<u>1,260,456</u>
Provisions	
At 1 January 2009	259,891
Charged for the year	-
Disposals	-
At 31 December 2009	<u>259,891</u>
Net book value	
31 December 2009	<u>1,000,565</u>
31 December 2008	<u>1,000,509</u>

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

12 Fixed asset investments (continued)

Company

The company holds the equity share capital of the following

Name of undertaking	Country of incorporation	Class of share	Proportion held	Nature of business
Subsidiaries				
Designplan Lighting Limited	England	Ordinary	100%	Design and manufacture of light fittings, uplighters and luminaires
Richmond Plastics Limited	England	Ordinary	100%	Dormant
Aether Lighting Limited	England	Ordinary	100%	Design and manufacture of architectural lighting
One 2 See Signs Limited	England	Ordinary	56.5%	Illuminated road signs

Group

The group holds the equity share capital (in addition to the above) of the following companies via its subsidiary undertakings

Name of undertaking	Country of incorporation	Class of share	Group equity held	Nature of business
Designplan International Limited	England	Ordinary	82½%	Lighting wholesaler
Designplan Lighting Inc	USA	Ordinary	62%	Design, manufacture and sale of lighting fittings
FP Realty LLP	USA	Ordinary	55%	Property
Designplan Leuchten	Germany	Ordinary	100%	Dormant

In addition the group has consolidated the following entities as it operates a dominant influence on these entities and they are managed on a unified basis

Richmond Lighting Limited	England	Ordinary	0%	Design and manufacture of lighting controls
Steelplan Kitchens Limited	England	Ordinary	0%	Design and manufacture of Kitchens
Sparta Ventures Limited	England	Ordinary	0%	Dormant

All the above subsidiary undertakings are included in the consolidated financial statements

On 10 December 2009 Designplan Management Services Limited acquired a 56.5% interest in One 2 See Signs Limited from D A Cumper and M J Cumper

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

	Group		Company	
	2009 £	2008 £	2009 £	2008 £
13 Stocks				
Raw materials	2,143,213	1,724,730	-	-
Work in progress	560,890	610,028	-	-
Finished goods	722,161	1,124,599	-	-
	<u>3,426,264</u>	<u>3,459,357</u>	<u>-</u>	<u>-</u>
14 Debtors: amounts falling due within one year				
Trade debtors	3,615,173	4,163,292	-	-
Amounts due from group undertakings	-	-	413,536	177,913
Other debtors	34,628	52,634	-	-
Prepayments and accrued income	305,109	285,694	2,366	21,481
	<u>3,954,910</u>	<u>4,501,620</u>	<u>415,902</u>	<u>199,394</u>
15 Creditors: amounts falling due within one year				
Bank loans and overdrafts	702,216	1,463,773	51,634	47,002
Trade creditors	1,493,858	1,616,120	-	-
Amounts owed to group undertakings	-	-	1,039,062	640,209
Corporation tax	327,417	380,793	14,673	82,922
Overseas taxation	-	21,906	-	-
Other taxation and social security	449,908	349,041	16,960	8,960
Directors' loan accounts	200,000	160,000	200,000	160,000
Other creditors	11,659	11,144	-	-
Accruals and deferred income	641,269	564,390	178,338	122,766
	<u>3,826,327</u>	<u>4,567,167</u>	<u>1,500,667</u>	<u>1,061,859</u>

The bank loans and overdrafts are secured against the group and company's leasehold properties and the assets thereof

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

	Group		Company	
	2009 £	2008 £	2009 £	2008 £
16 Creditors: amounts falling due after more than one year				
Bank loans and overdrafts	572,122	541,736	482,640	541,736
Directors' loan account	620,730	514,922	620,730	514,922
	<u>1,192,852</u>	<u>1,056,658</u>	<u>1,103,370</u>	<u>1,056,658</u>
Bank loans are repayable				
In the next year	101,296	133,384	51,634	47,002
In the second to fifth year	312,526	205,547	223,044	205,547
In more than 5 years	259,596	336,189	259,596	336,189
	<u>673,418</u>	<u>675,120</u>	<u>534,274</u>	<u>588,738</u>

There are 2 bank loans both of which are secured on the group's freehold property. One loan is at an interest rate of 2.75% per annum above the bank's US\$ bank base rate. The other is at an interest rate of 1.60% above the bank's UK base rate. Both loans are repayable by equal monthly instalments.

17 Provisions for liabilities and charges

Group	1 January 2009 £	Profit and loss account charge £	31 December 2009 £
Unfunded pensions to former employees	435,000	5,000	440,000
Constructive obligations under various onerous contracts	160,457	8,871	169,328
	<u>595,457</u>	<u>13,871</u>	<u>609,328</u>
Company	1 January 2009 £	Transfer to group undertaking £	31 December 2009 £
Unfunded pensions to former employees	435,000	5,000	440,000

A provision has been recognised for the unfunded pension costs payable to former employees. These costs are expected to be incurred over the next 10 years. The provision has been calculated with reference to present value annuity costs.

A provision has also been recognised for obligations due to employees regarding potential claims under EEC directives for commission payments.

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

18 Deferred tax

	2009 £	2008 £
Group asset		
Accelerated capital allowances	(107,190)	(122,005)
Former employees pension	(123,200)	(121,800)
Short term timing differences	(3,264)	(3,112)
	<u>(233,654)</u>	<u>(246,917)</u>
Foreign tax timing differences	(94,048)	(92,515)
	<u>(327,702)</u>	<u>(339,432)</u>
Company asset		
Accelerated capital allowances	(1,215)	(1,257)
Former employees pension	(123,200)	(121,800)
	<u>(124,415)</u>	<u>(123,057)</u>
Deferred tax asset	Group £	Company £
Asset at 1 January 2009	(339,432)	(123,057)
Deferred tax charge in the profit and loss account for the year	2,716	42
Exchange movements	9,014	-
Transfer from group undertakings	-	(1,400)
Asset at 31 December 2009	<u>(327,702)</u>	<u>(124,415)</u>

The deferred tax asset is based on a corporation tax rate of 28% (2008 28%)

The deferred tax asset on unused capital tax losses of £160,948 carried forward at 31 December 2009 within the Group, amounting to £45,065 (2008 £48,300), are not included in the balance sheet as there is presently no likelihood of the capital losses being utilised

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

19 Called up share capital

	2009 £	2008 £
Authorised		
500,000 ordinary shares of £1 each	500,000	500,000
Allotted, called up and fully paid		
360,400 ordinary shares of £1 each	360,400	360,400

20 Profit and loss account

	Group		Company	
	2009 £	2008 £	2009 £	2008 £
Group				
Balance at 1 January 2009	6,211,048	4,939,938	2,183,442	2,042,540
Profit for the financial year	332,818	1,229,459	377,055	140,902
Dividends	(300,000)	-	(300,000)	-
Exchange adjustments on translation of opening balances of overseas subsidiary	(23,580)	41,651	-	-
At 31 December 2009	6,220,286	6,211,048	2,260,497	2,183,442

The profit after taxation for the parent company was £377,055 (2008 £140,902)

Consolidated goodwill arising on acquisitions prior to the introduction of FRS 10 have been written off against reserves amounted to £124,000 (2008 £124,000)

21 Reconciliation of shareholders' funds

	2009 £	2008 £
Group		
Profit for the year	332,818	1,229,459
Dividends	(300,000)	-
	32,818	1,229,459
Other recognised gains and losses relating to the year	(23,580)	41,651
Net addition to shareholders' funds	9,238	1,271,110
Opening shareholders' funds	6,786,023	5,514,913
Closing shareholders' funds	6,795,261	6,786,023

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009

(continued)

22 Related parties transactions

The company has taken advantage of the exemption from reporting transactions with wholly owned group companies conferred by Financial Reporting Standard No 8 on the grounds that the shares in these companies are 100% owned by Designplan Management Services Limited ("Management")

D A Cumper and M J Cumper hold a controlling interest in the group by virtue of their shareholding in Management

During the year to 31 December 2009 the following transactions took place between them

- (i) D A Cumper and M J Cumper received £11,549 (2008 £38,778) in directors loan interest during the year At the balance sheet date the company owed £820,730 (2008 £674,922) in respect of these directors loans
- (ii) The company acquired 56.5% of the share capital of One 2 See Signs Limited ("One 2 See") from D A Cumper and M J Cumper in equal proportions for total consideration of £56,500
- (iii) D A Cumper and M J Cumper received dividends totalling £300,000 from Management during the year (2008 £nil)

Designplan Lighting Limited ("Designplan") (a 100% owned subsidiary of Management) has an 82.5% share of Designplan International Limited ("International") The following transactions took place

International was charged a management fee of £278,550 (2008 £143,708) and interest of £1,261 (2008 £nil) by Management The amount due to International at the year-end was £148,199 (2008 £nil)

International purchased goods for £909,157 (2008 £659,228) and received commission of £87,570 (2008 £65,397) from Designplan The balance due to International from Designplan at the year-end was £55,303 (2008 due from International £164,464)

Steelplan Kitchens Limited ("Steelplan") is under common control and unified management with Management Steelplan was charged a management fee of £102,311 (2008 £20,000) by Management The amount due to Management at the year-end was £400,000 (2008 £389,162)

One 2 See Signs Limited ("One 2 See") is a 56.5% owned subsidiary of Management The following transactions took place

During the year One 2 See recharged costs totalling £23,153 to Designplan (2008 £60,353) At 31 December 2009 One 2 See owed Designplan £588,698 (2008 £19,964)

During the year Management charged One 2 See interest amounting to £15,786 (2008 £nil) At the balance sheet date One 2 See owed Management £13,536 (2008 £nil)

MSW Associates ("MSW") is a company owned by M Walters, who is a director and shareholder of One 2 See During the year consultancy fees totalling £33,000 (2008 £27,500) and other expenses of £465 (2008 £1,263) were charged by MSW to One 2 See There was no balance due to or from MSW at either year end

Battery Technology ("Technology") is a company owned by B Gustar, who is a director and shareholder of One 2 See During the year consultancy fees totalling £12,857 (2008 £11,285) were charged by Technology to One 2 See There was no balance due to or from Technology at either year end

Designplan Lighting Inc is a 75% subsidiary of International which is an 82.5% owned subsidiary of Management Designplan Lighting Inc purchased goods for £162,018 (2008 £302,640) from International Designplan Lighting Inc also paid interest to International of £14,915 (2008 £16,135) The gross amount due to International by Designplan Lighting Inc at the year-end was £710,625 (2008 £939,591)

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009

(continued)

22 Related parties transactions (continued)

Richmond Lighting Limited ("Richmond") is under common control and unified management with Management. During the year ended 31 December 2009 the following transactions took place

- (i) Richmond was charged a management fee of £30,000 (2008 £30,000) by Management. Richmond was charged rent of £16,596 (2008 £16,596) by Management. There was no balance due between Richmond and Management at either year end.
- (ii) The balance due to Designplan by Richmond at the year-end was £49,247 (2008 £45,414)

23 Reconciliation of operating profit to net cash inflow from operating activities	2009 £	2008 £
Operating profit	1,251,403	1,632,396
Depreciation	251,366	377,211
Profit on disposal	(1,500)	(5,179)
Amortisation and impairment	336,967	51,978
Net exchange variations	(12,768)	(108)
Decrease/ (increase) in stocks	33,093	(260,316)
Decrease/ (increase) in debtors	546,710	(1,032,240)
Increase in creditors	55,999	291,831
Increase/ (decrease) in provisions	13,871	(7,753)
Net cash inflow from operating activities	2,475,141	1,047,820

24 Changes in net debt

	Brought forward £	Cash flows £	Exchange movements £	Other changes £	Carried forward £
Cash at bank and in hand	1,814,702	849,177	-	-	2,663,879
Overdrafts	(1,330,389)	729,469	-	-	(600,920)
	<u>484,313</u>	<u>1,578,646</u>	<u>-</u>	<u>-</u>	<u>2,062,959</u>
Debts due within one year	(293,384)	150,241	8,417	(166,570)	(301,296)
Debts due in more than one year	(1,056,658)	(302,764)	-	166,570	(1,192,852)
	<u>(865,729)</u>	<u>1,426,123</u>	<u>8,417</u>	<u>-</u>	<u>568,811</u>

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

25	Reconciliation of net cash flow to movement in net debt	2009 £	2008 £
	Increase in cash in the period	1,578,646	140,011
	Cash (inflow)/outflow from (increase)/decrease in debt financing	(152,523)	375,172
	Exchange movements	8,417	(51,223)
	Movement in net debt	<u>1,434,540</u>	<u>463,960</u>
	Net debt brought forward	(865,729)	(1,329,689)
	Net funds carried forward	<u>568,811</u>	<u>(865,729)</u>

26 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 December 2010

Group	2009		2008	
	Land & buildings £	Other £	Land & buildings £	Other £
Expiring				
Within one year	-	37,397	-	37,146
In two to five years	-	117,258	-	115,566
After five years	156,180	-	156,180	-
	<u>156,180</u>	<u>154,655</u>	<u>156,180</u>	<u>152,712</u>

The company has a cross guarantee with the following companies given to National Westminster Bank plc against advances by the bank to these companies. The advance at 31 December 2009 totalled £591,320 (2008 £1,330,389)

Richmond Lighting Limited
Designplan Lighting Limited
Designplan International Limited

DESIGNPLAN MANAGEMENT SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2009
(continued)

27 Share options

In November 2009 a new EMI share option scheme was adopted. This discretionary scheme permits the grant of options to all eligible employees of the group. The options are exercisable upon a contingent sales price of the group at an unspecified future date, and expire 10 years after the date of the grant.

On 25 November 2009 18,968 options were granted over ordinary £1 shares and at 31 December 2009 these were all outstanding.

All the share options are exercisable for £1, the same as the par value of the shares.

The weighted average contractual life of the options as at 31 December 2009 was 8.92 years.

The exercise price and date is contingent on the sale of the group, no provision has been made for valuing the cost of the options under FRS 20 as the annual charge that would be applicable in the accounts is not material either to the subsidiary, where the charge would fall, or to the group results for the year.

All of the options have been granted to a director of the company.

28 Contingent liabilities

The company is part of a group VAT election and is therefore jointly and severally liable for the VAT liability of other group companies. The liability at the year end is £275,228 (2008 £207,261).