

COMPANY REGISTRATION NUMBER 4361377

PERKINS SERVICES (FERNDOWN) LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2011

TUESDAY



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PERKINS SERVICES (FERNDOWN) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

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PERKINS SERVICES (FERNDOWN) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

E D Gardner
G T Gardner
K J Pickering
B J Sparks (Retired 31 March 2012)
T J Pugh

COMPANY SECRETARY

E D Gardner

REGISTERED OFFICE

42 Cobham Road
Ferndown Industrial Estate
Ferndown
Dorset
BH21 7QG

AUDITOR

Menzies LLP
Chartered Accountants
Wentworth House
4400 Parkway
Whiteley
Hampshire
PO15 7FJ

BANKERS

Bank of Scotland Plc
144 - 148 High Street
Southampton
Hampshire
SO14 2JF

SOLICITORS

Parker Bullen LLP
45 Castle Street
Salisbury
Wiltshire
SP1 3SS

PERKINS SERVICES (FERNDOWN) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2011

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 December 2011

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

During the year the principal activity of the company was that of a holding company and for Perkins Group Services Ltd it was that of the import and distribution of toys, stationery and seasonal products

Given the prevailing economic conditions we managed a satisfactory performance in the year. Margins continued to be under pressure throughout most product categories

Forward buying and sales in currencies helped to overcome the difficulties produced by falling sterling values

FUTURE DEVELOPMENTS

The work in developing new 'own brand' ranges should improve margins in the forth coming year

There are major promotions in 2012 surrounding the European Championships & Olympic Games. We have a full order book for the spring and summer seasons. We continue to have a very stable work force and do not expect any undue movements

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £168,926. The directors have not recommended a dividend

DIRECTORS

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

E D Gardner
G T Gardner
K J Pickering
B J Sparks
T J Pugh

B J Sparks retired as a director on 31 March 2012

DIRECTORS' RESPONSIBILITIES

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 year.

In preparing those 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 group will continue in business

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

PERKINS SERVICES (FERNDOWN) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITOR

Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
42 Cobham Road
Ferndown Industrial Estate
Ferndown
Dorset
BH21 7QG

Signed by order of the directors



E D Gardner
Company Secretary

Approved by the directors on 19th September

2012

PERKINS SERVICES (FERNDOWN) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PERKINS SERVICES (FERNDOWN) LIMITED

YEAR ENDED 31 DECEMBER 2011

We have audited the group and parent company financial statements ("the financial statements") of Perkins Services (Ferndown) Limited for the year ended 31 December 2011 on pages 5 to 20. 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 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 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 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 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2011 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

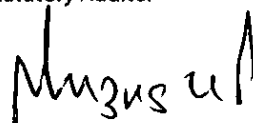
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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.

Wentworth House
4400 Parkway
Whiteley
Hampshire
PO15 7FJ

19 September 2012

ADRIAN PRICE FCA (Senior
Statutory Auditor)
For and on behalf of
MENZIES LLP
Chartered Accountants
& Statutory Auditor



PERKINS SERVICES (FERNDOWN) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
GROUP TURNOVER	2	12,268,717	13,250,716
Cost of sales		<u>8,704,619</u>	<u>9,722,054</u>
GROSS PROFIT		3,564,098	3,528,662
Distribution costs		2,026,679	1,995,375
Administrative expenses		1,620,397	1,693,472
Other operating income	3	<u>(387,979)</u>	<u>(353,216)</u>
OPERATING PROFIT	4	305,001	193,031
Loss on disposal of fixed assets	7	–	(1,693)
Interest payable and similar charges	8	66,706	56,980
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>238,295</u>	<u>134,358</u>
Tax on profit on ordinary activities	9	69,369	35,519
PROFIT FOR THE FINANCIAL YEAR	10	<u>168,926</u>	<u>98,839</u>

All of the activities of the group are classed as continuing

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

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

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

PERKINS SERVICES (FERNDOWN) LIMITED

GROUP BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Intangible assets	11	(135,885)	(145,453)
Tangible assets	12	236,610	272,226
Investments	13	3,000	3,100
		103,725	129,873
CURRENT ASSETS			
Stocks	14	1,730,845	1,832,685
Debtors	15	2,762,987	2,347,499
Cash in hand		533	817
		4,494,365	4,181,001
CREDITORS: Amounts falling due within one year	16	3,301,192	3,104,844
NET CURRENT ASSETS		1,193,173	1,076,157
TOTAL ASSETS LESS CURRENT LIABILITIES		1,296,898	1,206,030
CREDITORS: Amounts falling due after more than one year	17	181,969	254,161
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	21,936	27,802
		1,092,993	924,067
CAPITAL AND RESERVES			
Called-up equity share capital	23	68,750	68,750
Profit and loss account	24	1,024,243	855,317
SHAREHOLDERS' FUNDS	25	1,092,993	924,067

These financial statements were approved by the directors and authorised for issue on 19th September 2012, and are signed on their behalf by

E D Gardner

GT Gardner

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

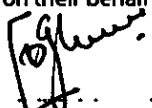
PERKINS SERVICES (FERNDOWN) LIMITED


BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	£	2010 £	£
FIXED ASSETS					
Investments	13		1,018,650		1,018,750
CURRENT ASSETS					
Debtors	15	53,501		53,501	
CREDITORS: Amounts falling due within one year	16	<u>1,082,410</u>		<u>1,038,046</u>	
NET CURRENT LIABILITIES			<u>(1,028,909)</u>		<u>(984,545)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(10,259)</u>		<u>34,205</u>
CAPITAL AND RESERVES					
Called-up equity share capital	23		68,750		68,750
Profit and loss account	24		<u>(79,009)</u>		<u>(34,545)</u>
(DEFICIT)/SHAREHOLDERS' FUNDS			<u>(10,259)</u>		<u>34,205</u>

These financial statements were approved by the directors and authorised for issue on 19th March 2012, and are signed on their behalf by:


E.D. Gardner


G.T. Gardner

Company Registration Number 4361377

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

PERKINS SERVICES (FERNDOWN) LIMITED

GROUP CASH FLOW

YEAR ENDED 31 DECEMBER 2011

	2011		2010
	£	£	£
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES		(368,835)	757,888
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid	(58,597)		(54,465)
Interest element of hire purchase	(8,109)		(2,515)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(66,706)	(56,980)
TAXATION		(41,626)	(87,419)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets	(43,038)		(39,431)
Receipts from sale of fixed assets	975		(1)
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(42,063)	(39,432)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(519,230)	574,057
FINANCING			
Repayment of bank loans	(80,000)		(80,000)
Net outflow from other short-term creditors	(5,387)		-
Capital element of hire purchase	15,250		(6,655)
Net outflow from other long-term creditors	(3,350)		(8,669)
NET CASH OUTFLOW FROM FINANCING		(73,487)	(95,324)
(DECREASE)/INCREASE IN CASH		(592,717)	478,733
RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES			
	2011		2010
	£		£
Operating profit	305,001		193,031
Amortisation	(9,568)		(9,567)
Depreciation	77,679		74,502
Decrease/(increase) in stocks	101,840		(131,375)
(Increase)/decrease in debtors	(415,488)		459,027
(Decrease)/increase in creditors	(428,299)		172,270
Net cash (outflow)/inflow from operating activities	(368,835)		757,888

The notes on pages 10 to 19 form part of these financial statements.

PERKINS SERVICES (FERNDOWN) LIMITED

GROUP CASH FLOW

YEAR ENDED 31 DECEMBER 2011

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2011		2010	
	£	£	£	£
(Decrease)/increase in cash in the period	(592,717)		478,733	
Net cash outflow from bank loans	80,000		80,000	
Net outflow from other short-term creditors	5,387		-	
Cash outflow in respect of hire purchase	(15,250)		6,655	
Net cash outflow from other long-term creditors	3,350		8,669	
		(519,230)		574,057
Change in net debt		(519,230)		574,057
Net debt at 1 January 2011		(458,235)		(1,032,292)
Net debt at 31 December 2011		(977,465)		(458,235)

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2011 £	Cash flows £	At 31 Dec 2011 £
Net cash			
Cash in hand and at bank	817	(284)	533
Overdrafts	(99,240)	(592,433)	(691,673)
	(98,423)	(592,717)	(691,140)
Debt			
Debt due within 1 year	(90,476)	5,387	(85,089)
Debt due after 1 year	(243,350)	83,350	(160,000)
Hire purchase agreements	(25,986)	(15,250)	(41,236)
	(359,812)	73,487	(286,325)
Net debt	(458,235)	(519,230)	(977,465)

The notes on pages 10 to 19 form part of these financial statements.

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

Basis of accounting

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 all group undertakings, together with the group's share of the net assets and results of associated undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over twenty years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. 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.

Turnover

The turnover shown in the profit and loss account represents amounts receivable for goods and services provided during the year in the normal course of business, net of trade discounts, VAT and other sales and related taxes.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its useful life up to a maximum of 20 years.

Negative purchased goodwill arising on acquisitions is capitalised, classified as a liability on the Balance Sheet and released over its useful life up to a maximum of 20 years.

This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	- 20 years
----------	------------

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	- 10% straight line
Fixtures and Fittings	- 10 to 25% straight line and 25% reducing balance
Motor Vehicles	- 25% 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.

Hire purchase agreements

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

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES (*continued*)

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

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

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted 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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

2. TURNOVER

The turnover and profit before tax are attributable to the all principal activities of the group

An analysis of turnover is given below:

	2011 £	2010 £
United Kingdom	11,001,296	11,760,298
Overseas	1,267,421	1,490,418
	<u>12,268,717</u>	<u>13,250,716</u>

3. OTHER OPERATING INCOME

	2011 £	2010 £
Management charges receivable	312,650	303,440
Other operating income	75,329	49,776
	<u>387,979</u>	<u>353,216</u>

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2011 £	2010 £
Amortisation of intangible assets	(9,568)	(9,567)
Depreciation of owned fixed assets	59,000	63,023
Depreciation of assets held under hire purchase agreements	18,679	11,479
Auditor's remuneration		
- as auditor	18,577	21,094
Operating lease costs		
- Other	393,813	293,127
Net loss/(profit) on foreign currency translation	22,003	(178)

5. PARTICULARS OF EMPLOYEES

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

	2011 No	2010 No
Number of distribution staff	47	52
Number of administrative staff	15	15
Number of management staff	10	5
	<u>72</u>	<u>72</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	1,330,043	1,373,492
Social security costs	124,457	122,256
Other pension costs	14,000	13,300
	<u>1,468,500</u>	<u>1,509,048</u>

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2011 £	2010 £
Remuneration receivable	206,009	205,793

7. LOSS ON DISPOSAL OF FIXED ASSETS

	2011 £	2010 £
Loss on disposal of fixed assets	-	(1,693)

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Interest payable on bank borrowing	30,790	21,966
Finance charges	8,109	2,515
Other similar charges payable	27,807	32,499
	66,706	56,980

9. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2011 £	2010 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 26 50% (2010 - 24 50%)	75,174	41,535
Interest on corporation tax	61	-
Total current tax	75,235	41,535
Deferred tax		
Origination and reversal of timing differences	(5,866)	(6,016)
Tax on profit on ordinary activities	69,369	35,519

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 26 50% (2010 - 24 50%)

	2011 £	2010 £
Profit on ordinary activities before taxation	238,295	134,358
Profit on ordinary activities by rate of tax	63,148	32,918
Expenses not deductible for tax purposes	17,699	473
Capital allowances for period in excess of depreciation	(6,010)	8,660
Tax chargeable at lower rates	398	(2,503)
Sundry tax adjusting items	-	1,987
Total current tax (note 9(a))	75,235	41,535

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

10. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(44,464) (2010 - £403)

11. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 January 2011 and 31 December 2011	(191,344)
AMORTISATION	
At 1 January 2011	(45,891)
Charge for the year	(9,568)
At 31 December 2011	(55,459)
NET BOOK VALUE	
At 31 December 2011	(135,885)
At 31 December 2010	(145,453)

12. TANGIBLE FIXED ASSETS

Group	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
At 1 January 2011	159,043	985,060	247,740	1,391,843
Additions	-	25,833	17,205	43,038
Disposals	-	-	(18,790)	(18,790)
At 31 December 2011	159,043	1,010,893	246,155	1,416,091
DEPRECIATION				
At 1 January 2011	126,243	811,682	181,692	1,119,617
Charge for the year	11,132	46,732	19,815	77,679
On disposals	-	-	(17,815)	(17,815)
At 31 December 2011	137,375	858,414	183,692	1,179,481
NET BOOK VALUE				
At 31 December 2011	21,668	152,479	62,463	236,610
At 31 December 2010	32,800	173,378	66,048	272,226

Hire purchase agreements

Included within the net book value of £236,610 is £75,687 (2010 - £59,387) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £18,679 (2010 - £11,479)

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

13. INVESTMENTS

Group	Total £
--------------	--------------------

COST	
At 1 January 2011 and 31 December 2011	<u>3,000</u>

NET BOOK VALUE	
At 31 December 2011 and 31 December 2010	<u>3,000</u>

Company	Group companies £
----------------	----------------------------------

COST	
At 1 January 2011 and 31 December 2011	<u>1,018,750</u>

NET BOOK VALUE	
At 31 December 2011 and 31 December 2010	<u>1,018,750</u>

Holding of more than 20%

The company holds more than 20% of the share capital of the following companies

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertakings				
Perkins Group Services Limited	England & Wales	Ordinary	100%	Import and Distribution of toys

	Capital and reserves	Profit / (loss) for the year
Perkins Group Services Limited	£2,257,888	£203,823

Perkins Group Services Limited wholly owns a subsidiary undertaking, Pick a Toy Limited, holding 100 £1 ordinary shares in each. The subsidiary has been dormant from incorporation up to 31 December 2010.

Perkins Group Services Limited also has a trade investment at a cost of £3,000 representing 100 ordinary share in Nisa Today (Holdings) Limited.

14. STOCKS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Finished goods	<u>1,730,845</u>	<u>1,832,685</u>	<u>-</u>	<u>-</u>

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

15. DEBTORS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	2,344,255	1,957,644	-	-
Amounts owed by undertakings in which the company has a participating interest	-	-	53,501	53,501
Prepayments and accrued income	418,732	389,855	-	-
	<u>2,762,987</u>	<u>2,347,499</u>	<u>53,501</u>	<u>53,501</u>

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	771,673	179,240	191,263	164,123
Trade creditors	1,119,742	1,888,857	-	-
Amounts owed to group undertakings	-	-	415,044	404,700
Amounts owed to undertakings in which the company has a participating interest	541,058	6,059	-	-
Hire purchase agreements	19,267	15,175	-	-
Other creditors including taxation and social security	-	-	-	-
Corporation tax	75,144	41,535	-	107
Other taxation and social security	56,194	52,270	-	-
Other creditors	237,569	249,564	237,569	249,564
Other loans < 1 year	5,089	10,476	-	-
Accruals and deferred income	475,456	661,568	238,634	219,552
	<u>3,301,192</u>	<u>3,104,744</u>	<u>1,082,510</u>	<u>1,038,046</u>

The group overdraft of £1,800,000 is secured by a debenture over all the assets of the group and connected companies

The overdraft is secured by a fixed and floating charge over the assets of the group and personal guarantees of £130,000 given in aggregate by the directors

The following liabilities disclosed under creditors falling due within one year are secured by the company

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	<u>580,410</u>	<u>245,005</u>	<u>-</u>	<u>245,005</u>

17. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	160,000	240,000	-	-
Hire purchase agreements	21,969	10,811	-	-
Other creditors	-	3,350	-	-
	<u>181,969</u>	<u>254,161</u>	<u>-</u>	<u>-</u>

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

17. CREDITORS: Amounts falling due after more than one year (continued)

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	<u>160,000</u>	<u>240,000</u>	<u>-</u>	<u>240,000</u>

18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts payable within 1 year	19,267	15,175	-	15,175
Amounts payable between 2 to 5 years	<u>21,969</u>	<u>10,811</u>	<u>-</u>	<u>10,811</u>
	<u>41,236</u>	<u>25,986</u>	<u>-</u>	<u>25,986</u>

19. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Provision brought forward	27,802	33,818	-	-
Decrease in provision	<u>(5,866)</u>	<u>(6,016)</u>	<u>-</u>	<u>-</u>
Provision carried forward	<u>21,936</u>	<u>27,802</u>	<u>-</u>	<u>-</u>

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

Group	2011		2010	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>21,936</u>	<u>-</u>	<u>27,802</u>	<u>-</u>

20. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2011 the group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings	
	2011	2010
	£	£
Operating leases which expire		
Within 1 year	48,000	-
Within 2 to 5 years	<u>320,000</u>	<u>368,000</u>
	<u>368,000</u>	<u>368,000</u>

21. ADVANCES, CREDITS AND GUARANTEES WITH THE DIRECTORS

At the year end the company owed E D Gardner and G T Gardner £254,564 (2010 £271,343) During the year the company made repayments of £21,778 (2010 £3,452) Interest is accrued on a daily compound basis at 4% A total of £217,852 (2010 £198,969) of interest had been accrued at the year end and all of this amount remains unpaid

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

22. RELATED PARTY TRANSACTIONS

In the opinion of the directors' the company is controlled by E D Gardner who owns the majority of the issued share capital

The company has taken advantage of the exemption under Financial Reporting Standard 8 to exclude the disclosure of related party transactions with 100% owned group companies

At the year end Perkins Services (Ferndown) Limited was owed £53,501 (2010 £53,501) by Humatt Limited a company in which the directors have a participating interest

During the year Perkins Group Services Limited made sales to Humatt Limited, a company under common control, of £257,321 (2010 £244,844), purchases of £329,908 (2010 £245,303) and had management charges received of £312,650 (2010 £258,440) The sales and purchases were made with a mark up on cost of between 1-5%

Perkins Group Services Limited held warehouse property on an eleven year lease from Alphabet Properties Limited, an associated company Rent of £113,000 (2010 £85,000) was paid for this in the year

During the year Perkins Group Services Limited made sales of £1,267,421 (2010 £1,490,418) and purchases of £1,347,414 (2010 £1,859,917) from Speedmax Corporation Limited, a connected company These were made at cost price

Perkins Group Services Limited held warehouse premises on lease from J Perkins SSAS Pension Fund The rent payable for the year was £43,004 (2010 £34,004)

At the balance sheet date the following balances were outstanding

Perkins Group Services Limited owed £594,559 (2010 £59,560) to Humatt Limited

Perkins Group Services Limited owed an amount of £nil (2010 £10,812) to Alphabet Properties Limited

Perkins Group Services Limited was owed an amount of £1,153,621 (2010 £474,791) by Speedmax Corporation Limited, held in Trade Receivables

Perkins Group Services Limited owed an amount of £56,226 (2010 £68,500) to Speedmax Corporation Limited, held in Trade Payables

Perkins Group Services Limited owed an amount of £5,089 (2010 £13,824) to J Perkins SSAS Pension Fund

23. SHARE CAPITAL

Allotted, called up and fully paid:

	2011 No	£	2010 No	£
68,750 Ordinary shares of £1 each	68,750	68,750	68,750	68,750

24. RESERVES

Group	Profit and loss account £
Balance brought forward	855,317
Profit for the year	168,926
Balance carried forward	1,024,243

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

24. RESERVES *(continued)*

Company	Profit and loss account £
Balance brought forward	(34,545)
Loss for the year	(44,464)
Balance carried forward	<u>(79,009)</u>

25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial year	168,926	98,839
Opening shareholders' funds	<u>924,067</u>	<u>825,228</u>
Closing shareholders' funds	<u>1,092,993</u>	<u>924,067</u>

26. NOTES TO THE CASH FLOW STATEMENT

PERKINS SERVICES (FERNDOWN) LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 31 DECEMBER 2011

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on page 4**

PERKINS SERVICES (FERNDOWN) LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2011

	2011		2010	
	£	£	£	£
TURNOVER		12,268,717		13,250,716
COST OF SALES				
Opening stock - finished goods	1,832,685		1,701,310	
Purchases	8,602,779		9,853,429	
	<u>10,435,464</u>		<u>11,554,739</u>	
Closing stock - finished goods	<u>(1,730,845)</u>		<u>(1,832,685)</u>	
		8,704,619		9,722,054
GROSS PROFIT		3,564,098		3,528,662
OVERHEADS				
Distribution costs	2,026,679		1,995,375	
Administrative expenses	<u>1,620,397</u>		<u>1,693,472</u>	
		3,647,076		3,688,847
		(82,978)		(160,185)
OTHER OPERATING INCOME		387,979		353,216
OPERATING PROFIT		305,001		193,031
Loss on disposal of fixed assets		—		(1,693)
		305,001		191,338
Interest payable		(66,706)		(56,980)
PROFIT ON ORDINARY ACTIVITIES		<u>238,295</u>		<u>134,358</u>

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2011

	2011		2010
	£	£	£
DISTRIBUTION COSTS			
Distribution and sales wages		764,853	674,377
National insurance contributions on distribution labour		62,285	68,293
Other distribution costs		81,721	90,799
Freight and carriage		594,721	668,713
Vehicle leasing charges		728	2,030
Commissions paid		444,479	426,591
Advertising		58,077	45,652
Depreciation on motor vehicles		19,815	18,920
		<u>2,026,679</u>	<u>1,995,375</u>
ADMINISTRATIVE EXPENSES			
Personnel costs			
Directors salaries	206,009		205,793
Directors national insurance contributions	31,345		22,668
Wages and salaries	359,181		493,322
Employers national insurance contributions	30,827		31,295
Staff pension contributions	14,000		13,300
		641,362	766,378
Establishment expenses			
Rent	393,085		291,097
Rates and water	141,778		92,970
Light and heat	26,852		72,370
Insurance	54,117		54,981
Repairs and maintenance	26,960		21,606
Computer maintenance	29,483		20,303
		672,275	553,327
General expenses			
Motor expenses	6,427		4,555
Travel and subsistence	61,942		30,093
Telephone	17,902		22,378
Hire of equipment	23,865		51,869
Printing, stationery and postage	15,325		27,347
Staff welfare	5,330		1,389
Sundry expenses	15		-
Donations	1,460		820
General expenses	34,758		65,565
Subscriptions	5,167		3,262
Management charges payable	-		45,000
Legal and professional fees	17,223		3,894
Auditors remuneration	18,577		21,094
Amortisation	(9,568)		(9,567)
Depreciation	11,132		11,133
Depreciation of fixtures and fittings	46,732		44,449
		256,287	323,281
Financial costs			
Bad debts written off	5,683		28,077
Bank charges	22,787		22,587
Foreign currency gains/losses	22,003		(178)
		50,473	50,486
		<u>1,620,397</u>	<u>1,693,472</u>

PERKINS SERVICES (FERNDOWN) LIMITED

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
OTHER OPERATING INCOME		
Management charges receivable	312,650	303,440
Other operating income	75,329	49,776
	<u>387,979</u>	<u>353,216</u>
INTEREST PAYABLE		
Bank interest payable	30,790	21,966
Hire purchase and finance lease charges	8,109	2,515
Interest on other loans	27,807	32,499
	<u>66,706</u>	<u>56,980</u>
