

DMA Group Limited

Director's report and financial statements

for the year ended 31 March 2011

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COMPANIES HOUSE

DMA Group Limited

Company Information

Director S W Kingsman

Company secretary K F Yau

Company number 05829629

Registered office Bramling House
Bramling
Canterbury
Kent
CT3 1NB

Auditor Reeves & Co LLP
Statutory Auditor & Chartered Accountants
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

Bankers National Westminster Bank plc
National Westminster House
37 Old Dover Road
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Kent
CT1 3JB

DMA Group Limited

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DMA Group Limited

Chairman's statement for the year ended 31 March 2011

The chairman presents his statement for the period

Overview

The DMA Group is now becoming firmly established in the South East as a major provider of Mechanical, Electrical and Air Conditioning installations and Maintenance Services. Our Joinery subsidiary, Denne Joinery Limited, which has a history stretching back over 200 years, provides bespoke high quality joinery services across a number of specialist sectors within the Private and Commercial Markets.

Financial Results

The Group achieved a net profit before interest and tax of £494,263. The Board are pleased with the results achieved for the year in a competitive market place.

Our People

We have continued our emphasis on investing in our people and have renewed our Investor in People accreditation. We currently employ 6 apprentices across our subsidiaries with one of our joinery apprentices achieving first place in the annual Worshipful Company of Joiners & Ceilers competition, and have continued our emphasis on training and development of a multi-skilled workforce. In particular we have concentrated on keeping up with the Health and Safety and Technical issues.

Quality

Quality standards have always been important and we have reinforced this during the year by an inspection by the HVCA and re-accrediting our Mechanical subsidiary to ISO 9001 along with our Maintenance and Joinery businesses who have successfully been assessed and re-certified as meeting the latest standard ISO 9001/2008.

Health and Safety

The Group continues to emphasise the importance of Health and Safety and environmental issues in all its operations. We continue to strive to ensure that we operate to the highest possible standards in these areas. Our Mechanical subsidiary obtained EN 18001 accreditation.

Sustainability

The Group recognises the significant long term benefits of clearly demonstrating our commitment to sustainable development. To this end our Joinery subsidiary has achieved full chain of custody certification from both FSC and PEFC organisations. To enhance this message our Mechanical and Joinery businesses are both currently engaged in preparing for certification assessment of the ISO 14001 Environmental standard within the next reporting period.

Corporate Social Responsibility

The Group companies very much recognise their responsibility to the communities in which they trade. In particular the Group was able to assist a number of local causes through the DMA Charitable Trust – a separate registered Charity No. 1030577.

DMA Group Limited

**Chairman's statement
for the year ended 31 March 2011**

Future Prospects

It has not been surprising that the market has remained extremely competitive, but the Group has concentrated on widening its client base and inclusion on a number of substantial national frameworks

The future prospects for the Group remain encouraging and we look forward with confidence to the coming year

In conclusion, the Board very much acknowledges the considerable efforts put in by all our staff and thank them for all their hard work and effort

A handwritten signature in black ink, appearing to be 'S W Kingsman', with a long horizontal stroke extending to the right.

Name S W Kingsman
Chairman

Date

5th September 2011

DMA Group Limited

Director's report for the year ended 31 March 2011

The director presents his report and the financial statements for the year ended 31 March 2011

Statement of director's responsibilities

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The principal activities of the group in the year under review continue to be those of mechanical and air conditioning contractors, joinery manufacturers and maintenance engineers.

Business review

Financial review

The financial performance of the business for the year ended 31 March 2011 is considered to be satisfactory.

The financial key performance indicators are as follows -

	2011	2010	2009
	£'000	£'000	£'000
Turnover	11,372	15,732	12,855
Profit before tax	447	749	628

Results

The profit for the year, after taxation, amounted to £246,270 (2010 - £852,853).

The results are set out in detail on page 7.

DMA Group Limited

Director's report for the year ended 31 March 2011

Director

The director who served during the year was

S W Kingsman

Financial instruments

The director continually monitors the business risks that the group is exposed to and where necessary introduces relevant systems to manage those risks. The group also have insurance cover where deemed appropriate to minimise the operational risk.

The group's principal financial instruments comprise of bank balances, bank overdraft facility, trade creditors and trade debtors. The main purpose of these instruments is to raise funds to finance the group's operations. The main risks arising from the financial instruments are interest rate risk and liquidity risk.

Due to the nature of the financial instruments used by the group, there is no exposure to price risk. The group's approach to managing other risks applicable to the financial statements concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between continuity of funding and flexibility through the use of the group's bank balances.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

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

Provision of information to auditor

The director at the time when this director's report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditor in connection with preparing its report and to establish that the company and the group's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Reeves & Co LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 5th September 2011 and signed on its behalf



S W Kingsman
Director

DMA Group Limited

Independent auditor's report to the shareholders of DMA Group Limited

We have audited the financial statements of DMA Group Limited for the year ended 31 March 2011, set out on pages 7 to 24. 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 director and auditor

As explained more fully in the statement of director's responsibilities, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the director's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

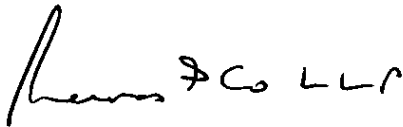
DMA Group Limited

Independent auditor's report to the shareholders of DMA Group Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



David Turner FCCA (Senior statutory auditor)
for and on behalf of
Reeves & Co LLP
Statutory Auditor
Chartered Accountants
Chatham Maritime

6 September 2011

DMA Group Limited

**Consolidated profit and loss account
for the year ended 31 March 2011**

	Note	2011 £	2010 £
Turnover	1,2	11,371,758	15,731,718
Raw materials and consumables		(2,241,065)	(1,904,621)
Other external charges		(3,782,015)	(5,726,322)
Staff costs		(3,698,590)	(5,954,508)
Depreciation and amortisation		(220,500)	(236,476)
Other operating charges		(923,849)	(1,115,636)
Operating profit	3	505,739	794,155
Exceptional items	7		
Net profit on sale of tangible fixed assets		176,515	-
Other exceptional items		(187,991)	-
Profit on ordinary activities before interest		494,263	794,155
Interest receivable and similar income		14,839	25,245
Interest payable and similar charges	6	(61,995)	(70,491)
Profit on ordinary activities before taxation		447,107	748,909
Tax on profit on ordinary activities	8	(200,837)	103,944
Profit for the financial year	18	246,270	852,853

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss Account


The notes on pages 11 to 24 form part of these financial statements

DMA Group Limited
Registered number: 05829629

Consolidated balance sheet
as at 31 March 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Intangible assets	9		1,096,732		1,157,662
Tangible assets	10		994,044		1,650,983
			<u>2,090,776</u>		<u>2,808,645</u>
Current assets					
Stocks	13	46,752		48,046	
Debtors amounts falling due after more than one year	14	236,250		236,250	
Debtors amounts falling due within one year	14	3,750,880		3,062,710	
Cash at bank and in hand		739		400	
		<u>4,034,621</u>		<u>3,347,406</u>	
Creditors: amounts falling due within one year	15	<u>(4,780,951)</u>		<u>(5,057,875)</u>	
Net current liabilities			<u>(746,330)</u>		<u>(1,710,469)</u>
Total assets less current liabilities			<u>1,344,446</u>		<u>1,098,176</u>
Capital and reserves					
Called up share capital	17		67,137		67,137
Revaluation reserve	18		-		17,242
Other reserves	18		52,647		52,647
Profit and loss account	18		1,224,662		961,150
Shareholders' funds	19		<u>1,344,446</u>		<u>1,098,176</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5th September 2011


S W Kingsman
 Director

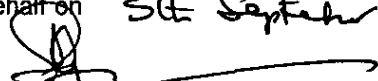
The notes on pages 11 to 24 form part of these financial statements

DMA Group Limited
Registered number: 05829629

Company balance sheet
as at 31 March 2011

	Note	2011 £	2010 £
Fixed assets			
Investments	11	<u>67,137</u>	<u>67,137</u>
Total assets less current liabilities		<u><u>67,137</u></u>	<u><u>67,137</u></u>
Capital and Reserves			
Called up share capital	17	<u>67,137</u>	<u>67,137</u>
Shareholders' funds	19	<u><u>67,137</u></u>	<u><u>67,137</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on *5th September 2011*


S W Kingsman
Director

The notes on pages 11 to 24 form part of these financial statements

DMA Group Limited

**Consolidated cash flow statement
for the year ended 31 March 2011**

	Note	2011 £	2010 £
Net cash flow from operating activities	20	542,532	205,835
Returns on investments and servicing of finance	21	(47,156)	(45,246)
Taxation		(52,333)	(236,844)
Capital expenditure and financial investment	21	673,884	(90,949)
Acquisitions and disposals	21	-	(1)
Cash inflow/(outflow) before financing		1,116,927	(167,205)
Financing	21	(1,750,000)	(1,561)
Decrease in cash in the year		(633,073)	(168,766)

**Reconciliation of net cash flow to movement in net funds/debt
for the year ended 31 March 2011**

	2011 £	2010 £
Decrease in cash in the year	(633,073)	(168,766)
Cash outflow from decrease in debt and lease financing	1,750,000	1,561
Change in net debt resulting from cash flows	1,116,927	(167,205)
Other non-cash changes	-	(1,781,706)
Movement in net debt in the year	1,116,927	(1,948,911)
Net debt at 1 April 2010	(2,835,571)	(886,660)
Net debt at 31 March 2011	(1,718,644)	(2,835,571)

The notes on pages 11 to 24 form part of these financial statements

**Notes to the financial statements
for the year ended 31 March 2011**

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with applicable accounting standards

1.2 Basis of consolidation

The financial statements consolidate the accounts of DMA Group Limited and all of its subsidiary undertakings ('subsidiaries') drawn up to 31 March 2011. Intra-group transactions are eliminated on consolidation and all figures relate to external transactions only.

The results of subsidiaries acquired during the period are included from the effective date of acquisition.

1.3 Turnover

Turnover represents revenue earned under a wide variety of contracts to provide mechanical and air conditioning, joinery and maintenance services. Revenue is recognised as earned when, and to the extent that, the group obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which includes an appropriate element of attributable profit (exclusive of Value Added Tax).

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue recorded reflects the accrual of the right to consideration by reference to the value of work performed.

1.4 Intangible fixed assets and amortisation

Goodwill arising on acquisition represents the difference between the fair value of net assets acquired and the fair value of the consideration given. Goodwill arising on acquisition is recognised within fixed assets in the year in which it arises and amortised on a straight line basis over its useful economic life, which is considered to be twenty years. Goodwill is reviewed for impairment annually.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land and buildings	-	Nil
Plant and machinery	-	Between 10% and 20% on cost
Motor vehicles	-	20% on cost
Furniture, fittings and equipment	-	10% on cost
Computer equipment	-	Between 10% and 33.3% on cost
Tenants improvements	-	10% on cost

Freehold land and buildings are revalued annually and are stated in the financial statements at market value.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

**Notes to the financial statements
for the year ended 31 March 2011**

1. Accounting policies (continued)

1.7 Leasing and hire purchase

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

1.8 Operating leases

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

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value. Short term contract work in progress has been valued at the lower of cost and net realisable value less provision for any foreseeable losses. Progress payments received or receivable have been deducted from the value.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 Long-term contracts

The group classifies as long term those contracts which extend over more than one accounting period.

The amounts recognised as turnover represent the value of work carried out during the period. Where the outcome of the contract can be assessed with reasonable certainty, attributable profit is recognised in proportion to the amount of turnover recognised in the financial statements. Full provision is made for any foreseeable losses.

Amounts recoverable on contracts, which are included within debtors, are stated at the net sales value of work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

**Notes to the financial statements
for the year ended 31 March 2011**

1. Accounting policies (continued)

1.12 Pensions

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge represents the amounts payable by the group to the fund in respect of the year.

2. Turnover

All turnover arose within the United Kingdom.

The whole of the turnover is attributable to the principal activities of the group.

3. Operating profit

The operating profit is stated after charging

	2011	2010
	£	£
Amortisation - intangible fixed assets	60,930	60,930
Depreciation of tangible fixed assets		
- owned by the group	159,570	175,546
Auditors' remuneration	31,340	29,950
Operating lease rentals		
- plant and machinery	157,779	293,067
- other operating leases	87,297	63,566
	<u> </u>	<u> </u>

**Notes to the financial statements
for the year ended 31 March 2011**

4. Staff costs

Staff costs, including director's remuneration, were as follows

	2011	2010
	£	£
Wages and salaries	3,323,541	5,369,216
Social security costs	342,273	550,848
Other pension costs	32,776	34,444
	<u>3,698,590</u>	<u>5,954,508</u>

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

	2011	2010
	No	No
Directors	1	1
Administration	18	23
Management, technical and surveying	30	33
Craftsmen	58	111
Unskilled	5	1
Apprentices and trainees	5	10
	<u>117</u>	<u>179</u>

5 Director's remuneration

During the year no retirement benefits were accruing to the director (2010 - £Nil) in respect of money purchase pension schemes

During the year, the director did not receive any emoluments (2010 - £Nil)

DMA Group Limited

**Notes to the financial statements
for the year ended 31 March 2011**

6. Interest payable

	2011	2010
	£	£
On bank loans and overdrafts	61,995	69,091
On other loans	-	1,131
On hire purchase contracts	-	269
	61,995	70,491

7 Exceptional items

	2011	2010
	£	£
Profit on sale of tangible fixed assets	(176,515)	-
Bad debt expense	119,736	-
Compensation expense	68,255	-
	11,476	-

Subsequent to 31 March 2011 a major client of the group has gone into administration and a specific bad debt of £119,736 has been provided. Due to the material amount of the bad debt and its non-recurring nature, this has been classified as an exceptional item.

The group settled an employment tribunal compensation claim after the balance sheet date, relating to an event which took place prior to 31 March 2011. Due to the material amount and non-recurring nature of this balance, it has also been classified as an exceptional item.

Notes to the financial statements
for the year ended 31 March 2011

8. Taxation

	2011 £	2010 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	131,111	151,486
Deferred tax (see note 16)		
Origination and reversal of timing differences	69,726	(255,430)
Tax on profit on ordinary activities	<u>200,837</u>	<u>(103,944)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - lower than) the standard rate of corporation tax in the UK of 28% (2010 - 28%). The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	<u>447,107</u>	<u>748,909</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 - 28%)	125,190	209,695
Effects of:		
Expenses not deductible for tax purposes	23,330	30,407
Capital allowances for year in excess of depreciation	(10,574)	13,371
Utilisation of tax losses	(47,825)	(98,788)
Capital gains	44,294	-
Unrelieved tax losses carried forward	264	-
Marginal relief	(3,568)	(3,199)
Current tax charge for the year (see note above)	<u>131,111</u>	<u>151,486</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

DMA Group Limited

**Notes to the financial statements
for the year ended 31 March 2011**

9 Intangible fixed assets

	Goodwill £
Group	
Cost	
At 1 April 2010 and 31 March 2011	1,218,592
Amortisation	
At 1 April 2010	60,930
Charge for the year	60,930
At 31 March 2011	121,860
Net book value	
At 31 March 2011	1,096,732
At 31 March 2010	1,157,662

DMA Group Limited

Notes to the financial statements for the year ended 31 March 2011

10 Tangible fixed assets

Group	Land and buildings £	Plant and machinery £	Motor vehicles £	Furniture, fittings and equipment £	Tenants improvements £	Total £
Cost or valuation						
At 1 April 2010	1,325,000	652,566	37,288	584,829	8,088	2,607,771
Additions	-	-	201,985	25,646	-	227,631
Disposals	(725,000)	(2,800)	-	(1,495)	-	(729,295)
At 31 March 2011	<u>600,000</u>	<u>649,766</u>	<u>239,273</u>	<u>608,980</u>	<u>8,088</u>	<u>2,106,107</u>
Depreciation						
At 1 April 2010	-	510,553	19,058	422,314	4,863	956,788
Charge for the year	-	57,037	23,528	78,196	809	159,570
On disposals	-	(2,800)	-	(1,495)	-	(4,295)
At 31 March 2011	<u>-</u>	<u>564,790</u>	<u>42,586</u>	<u>499,015</u>	<u>5,672</u>	<u>1,112,063</u>
Net book value						
At 31 March 2011	<u>600,000</u>	<u>84,976</u>	<u>196,687</u>	<u>109,965</u>	<u>2,416</u>	<u>994,044</u>
At 31 March 2010	<u>1,325,000</u>	<u>142,013</u>	<u>18,230</u>	<u>162,515</u>	<u>3,225</u>	<u>1,650,983</u>

Cost or valuation at 31 March 2011 is as follows

Group	Land and buildings £
At cost	1,024,362
At valuation	
Impairment	(424,362)
	<u>600,000</u>

The freehold land and buildings were revalued on an open market existing use basis by Strutt & Parker LLP, a firm of independent Chartered Surveyors, on 15 February 2005. As at 19 November 2010, Strutt & Parker LLP undertook a review of the remaining property following the part sale in the year and concluded that the open market value was in the region of £600,000.

The director considers that the open market value of the property as at 31 March 2011 is not significantly different to the November 2010 valuation.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

Group	2011 £	2010 £
Cost	1,024,362	1,307,758
Impairment	(424,362)	-
Net book value	<u>600,000</u>	<u>1,307,758</u>

DMA Group Limited

Notes to the financial statements for the year ended 31 March 2011

11. Fixed asset investments

Company	Shares in group undertakings
Cost	£
At 1 April 2010 and 31 March 2011	67,137

12 Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Kingsman (Holdings) Limited	United Kingdom	100	Holding company
*Denne Joinery Limited	United Kingdom	100	Joinery manufacturers
*DMA Mechanical & Air Conditioning Limited	United Kingdom	100	Mechanical and air conditioning
*DMA Maintenance Limited	United Kingdom	100	Maintenance engineers

All subsidiary undertakings have share capital consisting solely of ordinary shares. The companies prefixed with an "*" are wholly owned by Kingsman (Holdings) Limited.

13. Stocks

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Raw materials	8,286	8,286	-	-
Finished goods and goods for resale	38,466	39,760	-	-
	46,752	48,046	-	-

Notes to the financial statements
for the year ended 31 March 2011

14 Debtors

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Due after more than one year				
Other debtors	236,250	236,250	-	-
	236,250	236,250	-	-
	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Due within one year				
Trade debtors	1,200,513	1,334,702	-	-
Other debtors	216,409	357,952	-	-
Prepayments and accrued income	120,020	111,758	-	-
Amounts recoverable on long term contracts	2,051,674	1,026,308	-	-
Deferred tax asset (see note 16)	162,264	231,990	-	-
	3,750,880	3,062,710	-	-

The other debtors due after more than one year represent deferred sale proceed agreements. The balances are secured on the properties concerned and are repayable within a maximum period of 6 years (£165,000) and 7 years (£71,250) from the balance sheet date.

15. Creditors:
Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	1,719,383	2,835,971	-	-
Payments received on account	22,293	5,817	-	-
Trade creditors	1,965,995	992,727	-	-
Corporation tax	133,847	52,333	-	-
Social security and other taxes	254,235	216,578	-	-
Other creditors	54,684	462,007	-	-
Accruals and deferred income	630,514	492,442	-	-
	4,780,951	5,057,875	-	-

The bank loans and overdraft are secured under a group banking facility. The facility is secured by an unlimited intercompany composite guarantee by the group members, a first legal charge over the freehold land and buildings and its associated assets and a personal guarantee of £2,200,000 given by Mr S W Kingsman.

DMA Group Limited

Notes to the financial statements for the year ended 31 March 2011

16. Deferred taxation

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
At beginning of year	231,990	(23,440)	-	-
(Charge for)/released during the year	(69,726)	255,430	-	-
At end of year	162,264	231,990	-	-

The deferred taxation balance is made up as follows

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Decelerated capital allowances	1,914	14,885	-	-
Tax losses carried forward	160,350	217,105	-	-
	162,264	231,990	-	-

17 Share capital

	2011	2010
	£	£
Allotted, called up and fully paid		
6,713,700 Ordinary shares of £0.01 each	67,137	67,137

18. Reserves

Group	Revaluation reserve £	Other reserves £	Profit and loss account £
At 1 April 2010	17,242	52,647	961,150
Profit for the year			246,270
Transfer on sale of freehold land and buildings	(17,242)		17,242
At 31 March 2011	-	52,647	1,224,662

Notes to the financial statements
for the year ended 31 March 2011

19. Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Group		
Opening shareholders' funds	1,098,176	245,323
Profit for the year	246,270	852,853
	<u>1,344,446</u>	<u>1,098,176</u>
Closing shareholders' funds		
	<u>1,344,446</u>	<u>1,098,176</u>
Company		
Shareholders' funds at 1 April 2010 and 31 March 2011	67,137	67,137
	<u>67,137</u>	<u>67,137</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account

The profit for the year dealt with in the accounts of the company was £NIL (2010 - £NIL)

20 Net cash flow from operating activities

	2011 £	2010 £
Operating profit	505,739	794,155
Exceptional items	(187,991)	-
Amortisation of intangible fixed assets	60,930	60,930
Depreciation of tangible fixed assets	159,570	175,546
Loss on disposal of tangible fixed assets	-	26,188
Decrease/(increase) in stocks	1,294	(9,292)
(Increase)/decrease in debtors	(755,160)	1,626,512
Increase/(decrease) in creditors	758,150	(2,468,204)
	<u>542,532</u>	<u>205,835</u>
Net cash inflow from operating activities		
	<u>542,532</u>	<u>205,835</u>

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

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	14,839	25,245
Interest paid	(61,995)	(70,222)
Hire purchase interest	-	(269)
	<u>(47,156)</u>	<u>(45,246)</u>
Net cash outflow from returns on investments and servicing of finance		
	<u>(47,156)</u>	<u>(45,246)</u>

Notes to the financial statements
for the year ended 31 March 2011

21. Analysis of cash flows for headings netted in cash flow statement (continued)

	2011 £	2010 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(227,631)	(101,891)
Sale of tangible fixed assets	901,515	10,942
Net cash inflow/(outflow) from capital expenditure	673,884	(90,949)
	2011 £	2010 £
Acquisitions and disposals		
Purchase of fixed asset investments	-	(1)
	2011 £	2010 £
Financing		
Repayment of loans	(1,750,000)	-
Repayment of hire purchase contracts	-	(1,561)
Net cash outflow from financing	(1,750,000)	(1,561)

22. Analysis of changes in net debt

	1 April 2010 £	Cash flow £	Other non-cash changes £	31 March 2011 £
Cash at bank and in hand	400	339	-	739
Bank overdraft	(1,085,971)	(633,412)	-	(1,719,383)
	(1,085,571)	(633,073)	-	(1,718,644)
Debt:				
Debts due within one year	(1,750,000)	1,750,000	-	-
Net debt	(2,835,571)	1,116,927	-	(1,718,644)

23. Capital commitments

At 31 March 2011 the group and company had capital commitments as follows

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Contracted for but not provided in these financial statements	2,314	-	-	-

**Notes to the financial statements
for the year ended 31 March 2011**

24 Operating lease commitments

At 31 March 2011 the Group had annual commitments under non-cancellable operating leases as follows

Group	Land and buildings		Other	
	2011	2010	2011	2010
Expiry date:	£	£	£	£
Within 1 year	-	-	26,168	45,411
Between 2 and 5 years	85,483	82,663	30,206	38,035

25. Related party transactions

During the year the group repaid £350,000 to Mr S W Kingsman. As at 31 March 2011 an amount of £7,015 was owed by Mr S W Kingsman.

During the year the group repaid £13,894 to Mr N J Kingsman, the brother of Mr S W Kingsman and advanced a further £46,106. As at 31 March 2011 an amount of £46,106 was owed by Mr N J Kingsman.

During the year the group made sales to the Kingsman Pension Scheme, a scheme in which Mr S W Kingsman is a member, of £14,062 (2010 £29,607). As at 31 March 2011 an amount £2,175 (2010 £13,170) was due to the group.

As at 31 March 2010 and 2011, the group was owed £10,000 by Slatters of Canterbury Limited, a company in which Mr S W Kingsman is a shareholder. The group also made purchases of £4,008 from Slatters of Canterbury Limited during the year.

All transactions were on commercial terms.

26 Controlling party

The ultimate controlling party is Mr S W Kingsman by virtue of his 100% holding in the share capital of the company.