

Company Registration No. 06365189 (England and Wales)

BALDWINS HOLDINGS LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011



BALDWINS HOLDINGS LIMITED

DIRECTORS AND ADVISERS

Directors	Mr John Baldwin Mr Stephen Southall Mr David Baldwin
Secretary	Mr Stephen Southall
Company number	06365189
Registered office	40 Lichfield Street Walsall West Midlands WS1 1UU
Registered auditors	Robertson & Co 169 Spencefield Lane Leicester Leicestershire UK LE5 6GG

BALDWINS HOLDINGS LIMITED

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BALDWINS HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2011

The directors present their report and financial statements for the year ended 30 June 2011

Principal activities and review of the business

The principal activity of the group continued to be that of the provision of audit, accountancy and taxation services in the United Kingdom

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the group as a whole, these being turnover and profit margins

During the year the group's turnover has grown again by 2.4% and EBITDA was again in excess of £1.4M. The group's operating overheads have principally been maintained at the levels for the previous year and the directors are pleased to report an operating profit before tax of £305,173. Liquidity has improved at the Balance Sheet date due to a significant proportion of the acquisition debt being repaid during the period. The directors are pleased with the performance for the year which reflects our continued investment in people, brand and infrastructure for the enlarged group.

We feel that we are well positioned to move forward, maximising our partner led approach to provide a local, cost effective, value driven service with the support and expertise of a larger group. We believe that this is what businesses are demanding in the present market conditions.

Results and dividends

The consolidated profit and loss account for the year is set out on page 5.

Future developments

The directors consider that they have a strong and stable management team in place to continue the growth of the business. Economic conditions continue to allow good opportunities for acquisition on a selective basis and discussions remain ongoing with a number of target firms and individuals. A major new practice acquisition will complete in early 2012.

Directors

The following directors have held office since 1 July 2010:

Mr John Baldwin
Mr Stephen Southall
Mr David Baldwin

Auditors

The auditors, Robertson & Co, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

BALDWINS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

Statement of 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 of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

By order of the board



Mr Stephen Southall

Secretary

14 February 2012

BALDWINS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BALDWINS HOLDINGS LIMITED

We have audited the group and parent company financial statements (the "financial statements") of BALDWINS HOLDINGS LIMITED for the year ended 30 June 2011 set out on pages 5 to 25. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BALDWINS HOLDINGS LIMITED

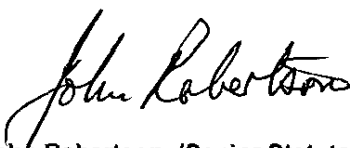
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BALDWINS HOLDINGS LIMITED

Matters on which we are required to report by exception

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

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



Mr John Robertson (Senior Statutory Auditor)
for and on behalf of Robertson & Co

17 February 2012

Chartered Accountants
Statutory Auditor

169 Spencefield Lane
Leicester
Leicestershire
UK
LE5 6GG

BALDWINS HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 £	2010 £
Turnover	2	6,455,936	6,305,730
Administrative expenses		(6,169,883)	(6,300,722)
Other operating income		143,255	128,033
Operating profit	3	429,308	133,041
Investment income		-	3,280
Interest payable and similar charges	4	(124,135)	(149,587)
Profit/(loss) on ordinary activities before taxation		305,173	(13,266)
Tax on profit/(loss) on ordinary activities	5	(115,981)	(64,018)
Profit/(loss) on ordinary activities after taxation		189,192	(77,284)
Minority interests		(38,184)	(59,436)
Profit/(loss) for the financial year	6	151,008	(136,720)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

BALDWINS HOLDINGS LIMITED

BALANCE SHEETS

AS AT 30 JUNE 2011

	Notes	Group 2011 £	2010 £	Company 2011 £	2010 £
Fixed assets					
Intangible assets	8	2,447,884	3,350,733	-	-
Tangible assets	9	387,354	385,897	-	-
Investments	10	-	-	668,760	1,062,486
		<u>2,835,238</u>	<u>3,736,630</u>	<u>668,760</u>	<u>1,062,486</u>
Current assets					
Debtors	11	3,296,815	3,106,137	3,288,258	1,302,647
Cash at bank and in hand		<u>319,744</u>	<u>629,059</u>	<u>136,743</u>	<u>446,248</u>
		3,616,559	3,735,196	3,425,001	1,748,895
Creditors. amounts falling due within one year	12	<u>(3,752,565)</u>	<u>(4,355,685)</u>	<u>(753,186)</u>	<u>(691,289)</u>
Net current liabilities		<u>(136,006)</u>	<u>(620,489)</u>	<u>2,671,815</u>	<u>1,057,606</u>
Total assets less current liabilities		2,699,232	3,116,141	3,340,575	2,120,092
Creditors: amounts falling due after more than one year	13	<u>(928,706)</u>	<u>(1,370,931)</u>	<u>(687,500)</u>	<u>(937,500)</u>
Provisions for liabilities	14	<u>(22,508)</u>	<u>(49,291)</u>	-	-
		<u>1,748,018</u>	<u>1,695,919</u>	<u>2,653,075</u>	<u>1,182,592</u>
Capital and reserves					
Called up share capital	16	993,825	993,825	993,825	993,825
Other reserves	17	841,617	841,617	-	-
Profit and loss account	17	<u>(46,670)</u>	<u>(130,798)</u>	<u>1,659,250</u>	<u>188,767</u>
Shareholders' funds	19	1,788,772	1,704,644	2,653,075	1,182,592
Minority interests	18	<u>(40,754)</u>	<u>(8,725)</u>	-	-
		<u>1,748,018</u>	<u>1,695,919</u>	<u>2,653,075</u>	<u>1,182,592</u>

BALDWINS HOLDINGS LIMITED

BALANCE SHEETS (CONTINUED)

AS AT 30 JUNE 2011

Approved by the Board and authorised for issue on 14 February 2012



Mr John Baldwin
Director

Company Registration No 6365189

BALDWINS HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	£	2011 £	£	2010 £
Net cash inflow from operating activities		1,376,972		1,275,467
Returns on investments and servicing of finance				
Interest paid	(124,135)		(149,587)	
Dividends paid to minorities	(70,213)		(80,670)	
Net cash outflow for returns on investments and servicing of finance		(194,350)		(241,056)
Taxation		-		(189,133)
Capital expenditure and financial investment				
Payments to acquire intangible assets	-		(1,207,616)	
Payments to acquire tangible assets	(58,951)		(178,974)	
Receipts from sales of tangible assets	-		16,500	
Receipts from sales of investments	-		3,280	
Net cash outflow for capital expenditure		(58,951)		(1,366,810)
Equity dividends paid		(66,880)		-
Net cash inflow/(outflow) before management of liquid resources and financing		1,056,791		(521,532)
Financing				
New long term bank loan	-		1,000,000	
Other new long term loans	50,000		209,340	
Other new short term loans	20,579		786,813	
Repayment of long term bank loan	(250,000)		(872,426)	
Repayment of other long term loans	(244,756)		(746,145)	
Repayment of other short term loans	(746,339)		(856,047)	
Capital element of hire purchase contracts	(29,319)		(26,562)	
Net cash outflow from financing		(1,199,835)		(505,027)
Decrease in cash in the year		(143,042)		(1,015,760)

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

1	Reconciliation of operating profit to net cash inflow from operating activities	2011	2010
		£	£
	Operating profit	429,308	133,041
	Depreciation of tangible assets	90,682	52,141
	Amortisation of intangible assets	902,849	1,271,390
	Loss on disposal of tangible assets	-	4,029
	Increase in debtors	(190,678)	(342,541)
	Increase in creditors within one year	144,811	157,407
	Net cash inflow from operating activities	1,376,972	1,275,467

2	Analysis of net debt	1 July 2010	Cash flow	Other non-cash changes	30 June 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	629,059	(309,315)	-	319,744
	Bank overdrafts	(1,638,211)	166,273	-	(1,471,938)
		(1,009,152)	(143,042)	-	(1,152,194)
	Finance leases	(72,484)	29,319	(33,189)	(76,354)
	Debts falling due within one year	(1,245,561)	725,760	-	(519,801)
	Debts falling due after one year	(1,314,506)	444,757	-	(869,749)
		(2,632,551)	1,199,836	(33,189)	(1,465,904)
	Net debt	(3,641,703)	1,056,794	(33,189)	(2,618,098)

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

3 Reconciliation of net cash flow to movement in net debt	2011	2010
	£	£
Decrease in cash in the year	(143,042)	(1,015,760)
Cash outflow from decrease in debt	<u>1,199,836</u>	<u>505,031</u>
Change in net debt resulting from cash flows	1,056,794	(510,729)
New finance lease	<u>(33,189)</u>	<u>(71,188)</u>
Movement in net debt in the year	1,023,605	(581,917)
Opening net debt	<u>(3,641,703)</u>	<u>(3,059,786)</u>
Closing net debt	<u>(2,618,098)</u>	<u>(3,641,703)</u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 June 2011. The acquisitions method of accounting has been adopted. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Income has been recognised based on contract activity and adoption of amendment to FRS 5 "Reporting the Substance of Transactions" Revenue Recognition, and UITF Abstract 40 "Revenue Recognition and Service Contracts".

Where Revenue exceeds the amount billed, this amount is included within Debtors as "Amounts Recoverable on Contracts".

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life, which in the opinion of the directors is either 3 years for newly acquired businesses where client retention is uncertain, or 20 years in all other cases.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	20% per annum reducing balance basis
Fixtures, fittings & equipment	15% per annum reducing balance basis
Motor vehicles	25% per annum reducing balance basis

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

1 Accounting policies

(continued)

1.7 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Revenue recognition

Revenue Recognition has been based on UITF Abstract 40, any amounts due on service contracts have been included within Debtors as "Amounts Recoverable on Contracts".

1.10 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.12 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.13 Employer Financed Retirement Benefit Scheme

During the year Baldwins Limited, a subsidiary company included within these consolidated financial statements, established an employer financed retirement benefit scheme for the benefit of its officers, employees and their wider families, The Baldwins Limited Employer Financed Retirement Benefit Scheme ("The Scheme").

In accordance with UITF abstract 32 "Employee Benefit Trusts and other intermediate payment arrangements", the company does not include the assets and liabilities of the Scheme on its Balance Sheet to the extent that it considers that it will not retain any economic benefit from the assets of The Scheme and will not have control of the rights or other access to those present economic benefits.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

3	Operating profit	2011 £	2010 £
	Operating profit is stated after charging		
	Amortisation of intangible assets	902,849	1,271,390
	Depreciation of tangible assets	90,682	52,141
	Loss on disposal of tangible assets	-	4,029
	Operating lease rentals		
	- Plant and machinery	38,686	39,525
	- Other assets	239,079	209,960
	Fees payable to the group's auditor for the audit of the group's annual accounts (company £2,000, 2010 £1,000)	10,000	9,000

Contribution to employer financed retirement benefit scheme

During the year Baldwins Limited, a subsidiary company included within these consolidated financial statements, in order to motivate and incentivise it's officers and employees, established an employer financed retirement benefit scheme for the benefit of the Company's officers, employees and their wider families, The Baldwins Limited Employer Financed Retirement Benefit Scheme

During the year the Company contributed to the Trustees of The Scheme assets valued at £503,062

4	Interest payable	2011 £	2010 £
	On bank loans and overdrafts	115,507	145,085
	Hire purchase interest	4,580	3,550
	Other interest	4,048	952
		124,135	149,587

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

5	Taxation	2011 £	2010 £
	Domestic current year tax		
	U K corporation tax	142,764	51,756
	Adjustment for prior years	-	(3,813)
	Total current tax	<u>142,764</u>	<u>47,943</u>
	Deferred tax		
	Origination and reversal of timing differences	(26,783)	16,075
		<u>115,981</u>	<u>64,018</u>
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	<u>305,173</u>	<u>(13,266)</u>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.70% (2010 - 22.00%)	<u>78,429</u>	<u>(2,919)</u>
	Effects of		
	Non deductible expenses	2,223	3,063
	Depreciation add back	98,387	75,948
	Capital allowances	(28,085)	(24,336)
	Adjustments to previous periods	-	(3,813)
	Other tax adjustments	(8,190)	-
		<u>64,335</u>	<u>50,862</u>
	Current tax charge for the year	<u>142,764</u>	<u>47,943</u>

6 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2011 £	2010 £
Holding company's profit for the financial year	<u>1,537,363</u>	<u>23,918</u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

7	Dividends	2011	2010
		£	£
	Ordinary interim paid	<u>66,880</u>	<u>-</u>
8	Intangible fixed assets		
	Group		Goodwill
			£
	Cost or Revaluation		
	At 1 July 2010		6,836,667
	Revaluation adjustment		(379,500)
	At 30 June 2011		<u>6,457,167</u>
	Amortisation		
	At 1 July 2010		3,485,934
	Charge for the year		902,849
	Amortisation write off		(379,500)
	At 30 June 2011		<u>4,009,283</u>
	Net book value		
	At 30 June 2011		<u>2,447,884</u>
	At 30 June 2010		<u>3,350,733</u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

9 Tangible fixed assets

Group

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2010	339,416	201,763	81,068	622,247
Additions	42,152	25,503	24,486	92,141
At 30 June 2011	381,568	227,266	105,554	714,388
Depreciation				
At 1 July 2010	150,184	82,559	3,608	236,351
Charge for the year	46,101	20,115	24,467	90,683
At 30 June 2011	196,285	102,674	28,075	327,034
Net book value				
At 30 June 2011	185,283	124,592	77,479	387,354
At 30 June 2010	189,233	119,204	77,460	385,897

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Net book values				
At 30 June 2011	-	-	77,479	77,479
At 30 June 2010	9,384	-	77,460	86,844
Depreciation charge for the year				
30 June 2011	-	-	24,467	24,467
30 June 2010	2,347	-	3,608	5,955

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

10 Fixed asset investments

The subsidiary undertakings were acquired on 30th June 2008 and have been included in the consolidated balance sheet at 30th June 2011 using the acquisitions method of accounting for the period since acquisition. The aggregated operating assets and liabilities of the subsidiary companies on 30th June 2008 were as follows -

Fair value/book value

	£
Intangible fixed assets	2,239,805
Tangible fixed assets	216,756
Investments	1,261,249
Debtors	2,526,068
Cash	588,277
Creditors - amounts falling due within 1 year	(2,985,873)
Creditors - amounts falling due after 1 year	(1,975,070)
Provisions for liabilities	(24,969)
Minority Interests	(10,801)
Share Consideration	(993,825)
	<hr/>
Merger Reserve	841,617
	<hr/>

Company

Shares in group undertakings £

Cost

At 1 July 2010	1,062,486
Additions	100
Disposals	(1)
	<hr/>
At 30 June 2011	1,062,585
	<hr/>
Provisions for diminution in value	
At 1 July 2010	-
Charge for the year	393,825
	<hr/>
At 30 June 2011	393,825
	<hr/>
Net book value	
At 30 June 2011	668,760
	<hr/>
At 30 June 2010	1,062,486
	<hr/>

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

10 Fixed asset investments

(continued)

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Holdings of more than 20%

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

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Baldwins Limited	England	Ordinary	100
Baldwins (Tamworth) Limited	England	Ordinary	100
Baldwins (Leamington) Limited	England	Ordinary	77
Baldwins (Stourbridge) Limited	England	Ordinary	80
Baldwins (Ashby) Limited	England	Ordinary	90
Baldwins (Nuneaton) Limited	England	Ordinary	90
Baldwins Corporate Services Limited	England	Ordinary	100
Baldwins (Nottingham) Limited	England	Ordinary	80
Baldwins (Walsall) Limited	England	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows

	Principal activity
Baldwins Limited	Audit,Accountancy and Taxation Services
Baldwins (Tamworth) Limited	Audit,Accountancy and Taxation Services
Baldwins (Leamington) Limited	Audit,Accountancy and Taxation Services
Baldwins (Stourbridge) Limited	Audit,Accountancy and Taxation Services
Baldwins (Ashby) Limited	Audit,Accountancy and Taxation Services
Baldwins (Nuneaton) Limited	Audit,Accountancy and Taxation Services
Baldwins Corporate Services Limited	Accountancy and Taxation Services
Baldwins (Nottingham) Limited	Audit,Accountancy and Taxation Services
Baldwins (Walsall) Limited	Audit,Accountancy and Taxation Services

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

11 Debtors

	Group 2011 £	2010 £	Company 2011 £	2010 £
Trade debtors	1,567,513	1,644,538	-	-
Amounts recoverable on long term contracts	1,530,866	1,249,212	-	-
Amounts owed by group undertakings	-	-	3,269,707	1,281,720
Other debtors	9,907	9,309	1,006	175
Prepayments and accrued income	188,529	203,078	17,545	20,752
	<u>3,296,815</u>	<u>3,106,137</u>	<u>3,288,258</u>	<u>1,302,647</u>

12 Creditors : amounts falling due within one year

	Group 2011 £	2010 £	Company 2011 £	2010 £
Bank loans and overdrafts	1,721,938	1,888,211	250,000	250,000
Net obligations under finance lease and hire purchase contracts	17,397	16,059	-	-
Trade creditors	213,965	229,093	-	1,175
Amounts owed to group undertakings	-	-	33,034	294,159
Corporation tax	187,476	44,712	25,881	-
Taxes and social security costs	719,334	835,867	-	-
Directors current accounts	464,246	187,283	431,283	121,705
Other creditors	269,801	995,561	-	-
Accruals and deferred income	158,408	158,899	12,988	24,250
	<u>3,752,565</u>	<u>4,355,685</u>	<u>753,186</u>	<u>691,289</u>

The bank borrowings are secured by a Group Cross Guarantee over the assets of the Baldwins Holdings Limited group of companies and by limited Joint and Several Personal Guarantees given by certain directors

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

13 Creditors - amounts falling due after more than one year

	Group 2011 £	2010 £	Company 2011 £	2010 £
Bank loans	687,500	937,500	687,500	937,500
Other loans	182,249	377,006	-	-
Net obligations under finance leases and hire purchase agreements	58,957	56,425	-	-
	<u>928,706</u>	<u>1,370,931</u>	<u>687,500</u>	<u>937,500</u>
Analysis of loans				
Wholly repayable within five years	1,389,550	2,560,067	937,500	1,187,500
Included in current liabilities	(519,801)	(1,245,561)	(250,000)	(250,000)
	<u>869,749</u>	<u>1,314,506</u>	<u>687,500</u>	<u>937,500</u>
Loan maturity analysis				
In more than one year but not more than two years	250,000	250,000	250,000	250,000
In more than two years but not more than five years	437,500	687,500	437,500	687,500
	<u>437,500</u>	<u>687,500</u>	<u>437,500</u>	<u>687,500</u>
Net obligations under finance leases and hire purchase contracts				
Repayable within one year	17,397	16,059	-	-
Repayable between one and five years	58,957	56,425	-	-
	<u>76,354</u>	<u>72,484</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(17,397)	(16,059)	-	-
	<u>58,957</u>	<u>56,425</u>	<u>-</u>	<u>-</u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

14 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 July 2010	49,291
Profit and loss account	(26,783)
Balance at 30 June 2011	<u>22,508</u>

The deferred tax liability is made up as follows:

	Group 2011 £	2010 £	Company 2011 £	2010 £
Accelerated capital allowances	<u>22,508</u>	<u>49,291</u>	<u>-</u>	<u>-</u>

15 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2011 £	2010 £
Contributions payable by the group for the year	<u>46,162</u>	<u>44,954</u>

16 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
608,000 Ordinary of £1 each	608,000	608,000
825 Ordinary 'A' non-voting of £1 each	825	825
385,000 Ordinary 'B' non-voting of £1 each	<u>385,000</u>	<u>385,000</u>
	<u>993,825</u>	<u>993,825</u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

17 Statement of movements on reserves Group

	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2010	841,617	(130,798)
Profit for the year	-	151,008
Dividends paid	-	(66,880)
Balance at 30 June 2011	<u>841,617</u>	<u>(46,670)</u>

Other reserves Merger Reserve

Balance at 1 July 2010 & at 30 June 2011	<u>841,617</u>
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On 30 June 2008 the entire share capital of Baldwins Limited and Baldwins (Tamworth) Limited was acquired in exchange for 993,825 £1 shares in Baldwins Holdings Limited. On 30th June 2008 the investments in subsidiary companies as detailed below were transferred from Baldwins Limited to Baldwins Holdings Limited at market value as part of the Baldwins Group reorganisation -

Baldwins (Leamington) Limited 76.5%
Baldwins (Stourbridge) Limited 80%
Baldwins (Ashby) Limited 90%
Baldwins (Nuneaton) Limited 70%

The net assets of all of the subsidiaries acquired amounted to £1,835,442. The difference between the amount paid for the share capital and the net assets was transferred to a merger reserve.

Company

	Profit and loss account £
Balance at 1 July 2010	188,767
Profit for the year	1,537,363
Dividends paid	(66,880)
Balance at 30 June 2011	<u>1,659,250</u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

18	Minority interests	2011	2010
		£	£
	Minority interests' share of net assets and liabilities in subsidiary undertakings	(40,754)	(8,725)
		<u> </u>	<u> </u>
19	Reconciliation of movements in shareholders' funds	2011	2010
	Group	£	£
	Profit/(Loss) for the financial year	151,008	(136,720)
	Dividends	(66,880)	-
		<u> </u>	<u> </u>
	Net addition to/(depletion in) shareholders' funds	84,128	(136,720)
	Opening shareholders' funds	1,704,644	1,841,364
		<u> </u>	<u> </u>
	Closing shareholders' funds	1,788,772	1,704,644
		<u> </u>	<u> </u>
		2011	2010
	Company	£	£
	Profit for the financial year	1,537,363	23,918
	Dividends	(66,880)	-
		<u> </u>	<u> </u>
	Net addition to shareholders' funds	1,470,483	23,918
	Opening shareholders' funds	1,182,592	1,158,674
		<u> </u>	<u> </u>
	Closing shareholders' funds	2,653,075	1,182,592
		<u> </u>	<u> </u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

20 Financial commitments

At 30 June 2011 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2011 £	Other 2011 £
Expiry date		
Within one year	15,000	680
Between two and five years	80,692	-
In over five years	124,950	-
	<u>220,642</u>	<u>680</u>

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Total	<u>104</u>	<u>106</u>

Employment costs

	2011 £	2010 £
Wages and salaries	2,782,704	3,243,452
Social security costs	280,657	271,072
Other pension costs	549,124	44,954
	<u>3,612,485</u>	<u>3,559,478</u>

22 Control

The company is controlled by the directors who own 98% of the ordinary voting share capital

BALDWINS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

23 Related party relationships and transactions

Dividends to Directors

The following directors were paid dividends during the year as outlined in the table below

	2011	2010
	£	£
John Baldwin	31,914	-
Stephen Southall	20,587	-
David Baldwin	13,376	-
	<hr/>	<hr/>
	65,877	-
	<hr/>	<hr/>