

Company Registration No 06365189 (England and Wales)

**BALDWINS HOLDINGS LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2012**

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# BALDWINS HOLDINGS LIMITED

## DIRECTORS AND ADVISERS

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<b>Directors</b>	Mr J Baldwin Mr D Baldwin Mr S Southall
<b>Secretary</b>	Mr S Southall
<b>Company number</b>	06365189
<b>Registered office</b>	40 Lichfield Street Walsall West Midlands WS1 1UU
<b>Registered auditors</b>	Robertson & Co 169 Spencefield Lane Leicester Leicestershire LE5 6GG

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# BALDWINS HOLDINGS LIMITED

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# BALDWINS HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 JUNE 2012

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The directors present their report and financial statements for the year ended 30 June 2012

#### 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 13.6% 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 have grown at a rate slower than turnover. The directors are pleased to report an operating profit before tax of £506,940, up from the previous year of £305,173. Liquidity and cash generation remains positive. 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.

It is proposed that the retained profit of £140,241 is transferred to the group's reserves.

#### 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 2013.

#### Directors

The following directors have held office since 1 July 2011:

Mr J Baldwin  
Mr D Baldwin  
Mr S Southall

#### Charitable Donations

During the year the group made the following payments:

Charitable donations

2012	2011
£	£
6,000	-
<u>        </u>	<u>        </u>

The recipients, amounts and purpose of the charitable donations are as follows:

- Children with Cancer £6,000 which helps children affected by cancer

#### 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 2012

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### 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

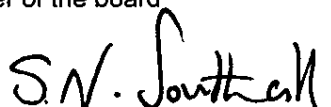
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 S Southall

**Secretary**

23 January 2013

# **BALDWINS HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF BALDWINS HOLDINGS LIMITED**

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We have audited the group and parent company financial statements (the "financial statements") of BALDWINS HOLDINGS LIMITED for the year ended 30 June 2012 set out on pages 5 to 23. 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. In addition, we read all the financial and non-financial information in the annual 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 parent company's affairs as at 30 June 2012 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)**

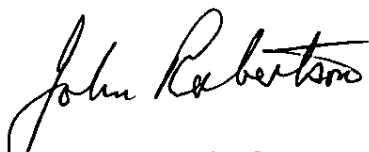
### **TO THE MEMBERS OF BALDWINS HOLDINGS LIMITED**

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#### **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**

29 January 2013

**Chartered Accountants  
Statutory Auditor**

169 Spencefield Lane  
Leicester  
Leicestershire  
LE5 6GG

# BALDWINS HOLDINGS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 £	2011 £
<b>Turnover</b>	<b>2</b>	7,334,247	6,455,936
Administrative expenses		(6,798,700)	(6,169,883)
Other operating income		113,018	143,255
<b>Operating profit</b>	<b>3</b>	648,565	429,308
Income from interests in associated undertakings	<b>6</b>	4,820	-
Other interest receivable and similar income		714	-
Interest payable and similar charges	<b>4</b>	(147,159)	(124,135)
<b>Profit on ordinary activities before taxation</b>		506,940	305,173
Tax on profit on ordinary activities	<b>5</b>	(240,538)	(115,981)
<b>Profit on ordinary activities after taxation</b>		266,402	189,192
Minority interests		(25,841)	(38,184)
<b>Profit for the financial year</b>	<b>6</b>	240,561	151,008

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



# BALDWIN HOLDINGS LIMITED

## BALANCE SHEETS

AS AT 30 JUNE 2012

	Notes	Group 2012 £	2011 £	Company 2012 £	2011 £
<b>Fixed assets</b>					
Intangible assets	8	3,838,420	2,447,884	-	-
Tangible assets	9	526,303	387,354	-	-
Investments	10	2,600	-	684,620	668,760
		<u>4,367,323</u>	<u>2,835,238</u>	<u>684,620</u>	<u>668,760</u>
<b>Current assets</b>					
Stocks	11	500	-	-	-
Debtors	12	4,215,784	3,296,815	4,429,064	3,288,258
Cash at bank and in hand		604,374	319,744	317,032	136,743
		<u>4,820,658</u>	<u>3,616,559</u>	<u>4,746,096</u>	<u>3,425,001</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(4,730,776)</u>	<u>(3,752,565)</u>	<u>(1,056,764)</u>	<u>(753,186)</u>
<b>Net current assets/(liabilities)</b>		<u>89,882</u>	<u>(136,006)</u>	<u>3,689,332</u>	<u>2,671,815</u>
<b>Total assets less current liabilities</b>		<u>4,457,205</u>	<u>2,699,232</u>	<u>4,373,952</u>	<u>3,340,575</u>
<b>Creditors: amounts falling due after more than one year</b>	14	<u>(2,604,840)</u>	<u>(928,706)</u>	<u>(1,312,500)</u>	<u>(687,500)</u>
<b>Provisions for liabilities</b>	15	<u>(55,961)</u>	<u>(22,508)</u>	<u>-</u>	<u>-</u>
		<u>1,796,404</u>	<u>1,748,018</u>	<u>3,061,452</u>	<u>2,653,075</u>
<b>Capital and reserves</b>					
Called up share capital	17	993,825	993,825	993,825	993,825
Other reserves	18	841,617	841,617	-	-
Profit and loss account	18	93,571	(46,670)	2,067,627	1,659,250
<b>Shareholders' funds</b>	20	<u>1,929,013</u>	<u>1,788,772</u>	<u>3,061,452</u>	<u>2,653,075</u>
<b>Minority interests</b>	19	<u>(132,609)</u>	<u>(40,754)</u>	<u>-</u>	<u>-</u>
		<u>1,796,404</u>	<u>1,748,018</u>	<u>3,061,452</u>	<u>2,653,075</u>

Approved by the Board and authorised for issue on 23 January 2013

  
Mr J Baldwin  
Director

Company Registration No. 6365189

# BALDWINS HOLDINGS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	2012	2011
£	£	£
<b>Net cash (outflow)/inflow from operating activities</b>	(346,980)	1,376,972
<b>Returns on investments and servicing of finance</b>		
Interest received	714	-
Interest paid	(147,159)	(124,135)
Dividends received from participating interests	2,250	-
Dividends paid to minorities	(117,957)	(70,213)
<b>Net cash outflow for returns on investments and servicing of finance</b>	(262,152)	(194,348)
<b>Taxation</b>	(187,476)	-
<b>Capital expenditure</b>		
Payments to acquire intangible assets	(321,123)	-
Payments to acquire tangible assets	(151,289)	(58,951)
<b>Net cash outflow for capital expenditure</b>	(472,412)	(58,951)
<b>Acquisitions and disposals</b>		
Purchase of subsidiary undertakings (net of cash acquired)	(451,747)	-
<b>Net cash outflow for acquisitions and disposals</b>	(451,747)	-
<b>Equity dividends paid</b>	(100,320)	(66,880)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>	(1,821,087)	1,056,793
<b>Financing</b>		
Issue of ordinary share capital to minority interests	260	-
Issue of preference share capital to minority interests	1	-
	261	-
New long term bank loan	900,000	-
Other new long term loans	955,360	50,000
Other new short term loans	649,613	20,579
Repayment of long term bank loan	(275,000)	(250,000)
Repayment of other long term loans	(86,889)	(244,756)
Repayment of other short term loans	(175,469)	(746,339)
Capital element of hire purchase contracts	(21,923)	(29,319)
<b>Net cash inflow/(outflow) from financing</b>	1,945,953	(1,199,835)
<b>Increase in cash in the year</b>	124,866	(143,042)

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

<b>1</b>	<b>Reconciliation of operating profit to net cash (outflow)/inflow from operating activities</b>		<b>2012</b>	<b>2011</b>
			<b>£</b>	<b>£</b>
	Operating profit		648,565	429,308
	Depreciation of tangible assets		119,082	90,682
	Amortisation of intangible assets		674,120	902,849
	Increase in debtors		(110,742)	(190,678)
	Increase in creditors within one year		(1,678,005)	144,811
	<b>Net cash (outflow)/inflow from operating activities</b>		<b>(346,980)</b>	<b>1,376,972</b>
<b>2</b>	<b>Analysis of net debt</b>	<b>1 July 2011</b>	<b>Cash flow</b>	<b>Other non- 30 June 2012</b>
		<b>£</b>	<b>£</b>	<b>cash changes £</b>
	Net cash			
	Cash at bank and in hand	319,744	284,630	- 604,374
	Bank overdrafts	(1,471,938)	(159,764)	- (1,631,702)
		<u>(1,152,194)</u>	<u>124,866</u>	<u>- (1,027,328)</u>
	Finance leases	(76,354)	21,923	(60,743) (115,174)
	Debts falling due within one year	(519,801)	(474,144)	(50,229) (1,044,174)
	Debts falling due after one year	(869,749)	(1,493,471)	(159,300) (2,522,520)
		<u>(1,465,904)</u>	<u>(1,945,692)</u>	<u>(270,272) (3,681,868)</u>
	<b>Net debt</b>	<b>(2,618,098)</b>	<b>(1,820,826)</b>	<b>(270,272) (4,709,196)</b>
<b>3</b>	<b>Reconciliation of net cash flow to movement in net debt</b>		<b>2012</b>	<b>2011</b>
			<b>£</b>	<b>£</b>
	Increase/(decrease) in cash in the year		124,866	(143,042)
	Cash (inflow)/outflow from (increase)/decrease in debt		(1,945,692)	1,199,836
	Change in net debt resulting from cash flows		(1,820,826)	1,056,794
	New finance lease		(60,743)	(33,189)
	Balance of loans on acquisition		(209,529)	-
	<b>Movement in net debt in the year</b>		<b>(2,091,098)</b>	<b>1,023,605</b>
	Opening net debt		(2,618,098)	(3,641,703)
	<b>Closing net debt</b>		<b>(4,709,196)</b>	<b>(2,618,098)</b>

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

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<b>4 Purchase of subsidiary undertaking</b>	<b>2012 £</b>
<b>Net assets acquired:</b>	
Tangible fixed assets	46,000
Debtors and stock	808,727
Cash at bank and in hand	1,010,831
Loans	(209,529)
Creditors	(539,806)
	<u>1,116,223</u>
<b>Satisfied by:</b>	
Deferred consideration	1,397,207
Cash	<u>1,462,578</u>
	<u>2,859,785</u>
<b>Cashflow:</b>	
Consideration	(1,462,578)
Net cash at bank and in hand acquired	<u>1,010,831</u>
	<u>(451,747)</u>

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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### **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 2012. 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 Associated undertakings**

The group's share of profits less losses of associated undertakings is included in the consolidated profit and loss account, and the group's share of their net assets is included in the consolidated balance sheet. These amounts are taken from the latest financial statements of the undertakings concerned.

#### **1.5 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".

#### **1.6 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.

#### **1.7 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 2012

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### 1 Accounting policies

(Continued)

#### 1.8 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.

#### 1.9 Investments

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

#### 1.10 Stock

Work in progress is valued at the lower of cost and net realisable value.

#### 1.11 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".

#### 1.12 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.

#### 1.13 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.

#### 1.14 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.

#### 1.15 Employer Financed Retirement Benefit Scheme

During the year Baldwins (Tamworth) 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 (Tamworth) 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.

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

### 2 Turnover

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

3 Operating profit	2012 £	2011 £
Operating profit is stated after charging		
Amortisation of intangible assets	674,120	902,849
Depreciation of tangible assets	119,082	90,682
Operating lease rentals		
- Plant and machinery	28,325	38,686
- Other assets	263,446	239,078
Fees payable to the group's auditor for the audit of the group's annual accounts (2012 company £1,000, 2011 company £2,000)	10,250	10,000
Rents receivable	10,082	8,452

Contribution to employer financed retirement benefit scheme

During the year Baldwins (Tamworth) 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 (Tamworth) Limited Employer Financed Retirement Benefit Scheme. During the year the Company contributed to the Trustees of The Scheme assets valued at £502,522

4 Interest payable	2012 £	2011 £
On bank loans and overdrafts	115,269	115,507
Hire purchase interest	5,460	4,580
Other interest	26,430	4,048
	147,159	124,135

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

<b>5</b>	<b>Taxation</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	215,993	142,764
	<b>Total current tax</b>	215,993	142,764
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	24,545	(26,783)
		24,545	(26,783)
		240,538	115,981
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	506,940	305,173
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 27.2% (2011 - 25.7%)	137,888	78,429
	Effects of		
	Non deductible expenses	2,612	2,223
	Depreciation add back	111,855	98,387
	Capital allowances	(36,362)	(28,085)
	Other tax adjustments	-	(8,190)
		78,105	64,335
	<b>Current tax charge for the year</b>	215,993	142,764

### 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:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Holding company's profit for the financial year	508,697	1,537,363

### 7 Dividends

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Ordinary interim paid	100,320	66,880



# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

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### 8 Intangible fixed assets Group

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 July 2011	6,457,167
Additions	2,064,655
	<hr/>
At 30 June 2012	8,521,822
	<hr/>
<b>Amortisation</b>	
At 1 July 2011	4,009,282
Charge for the year	674,120
	<hr/>
At 30 June 2012	4,683,402
	<hr/>
<b>Net book value</b>	
At 30 June 2012	3,838,420
	<hr/>
At 30 June 2011	2,447,884
	<hr/>

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

### 9 Tangible fixed assets

#### Group

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 July 2011	381,568	227,266	105,555	714,389
Additions	133,985	87,638	36,405	258,028
At 30 June 2012	515,553	314,904	141,960	972,417
<b>Depreciation</b>				
At 1 July 2011	196,285	102,672	28,075	327,032
Charge for the year	65,381	30,235	23,466	119,082
At 30 June 2012	261,666	132,907	51,541	446,114
<b>Net book value</b>				
At 30 June 2012	253,887	181,997	90,419	526,303
At 30 June 2011	185,283	124,592	77,479	387,354

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

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Net book values</b>				
At 30 June 2012	30,875	-	90,419	121,294
At 30 June 2011	-	-	77,479	77,479
<b>Depreciation charge for the year</b>				
30 June 2012	1,625	-	23,466	25,091
30 June 2011	-	-	24,467	24,467

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

### 10 Fixed asset investments Group

	Shares in participating interests £
<b>Cost</b>	
At 1 July 2011	-
Additions	30
Share of net assets of associated company	2,570
	<hr/>
At 30 June 2012	2,600
	<hr/>
<b>Net book value</b>	
At 30 June 2012	2,600
	<hr/> <hr/>

### Company

	Shares in participating interests £	Shares in group undertakings £	Total £
<b>Cost</b>			
At 1 July 2011	-	668,760	668,760
Additions	30	15,830	15,860
	<hr/>	<hr/>	<hr/>
At 30 June 2012	30	684,590	684,620
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 30 June 2012	30	684,590	684,620
	<hr/>	<hr/>	<hr/>
At 30 June 2011	-	668,760	668,760
	<hr/>	<hr/>	<hr/>

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

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

### 10 Fixed asset investments

(Continued)

#### 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	%
<b>Subsidiary undertakings</b>			
Baldwins Limited	England	Ordinary	100 00
Baldwins (Walsall) Limited	England	Ordinary	100 00
Baldwins (Tamworth) Limited	England	Ordinary	100 00
Baldwins (Leamington) Limited	England	Ordinary	76 50
Baldwins (Stourbridge) Limited	England	Ordinary	80 00
Baldwins (Ashby) Limited	England	Ordinary	90 00
Baldwins (Nuneaton) Limited	England	Ordinary	100 00
Baldwins (Nottingham) Limited	England	Ordinary	80 00
Baldwins Corporate Services Limited	England	Ordinary	100 00
Baldwins (Coventry) Limited	England	Ordinary	75 00
Baldwin McCranor Limited	England	Ordinary	100 00
<b>Participating interests</b>			
Baldwins & Simmons Business Solutions Limited	England	Ordinary	30 00

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

	<b>Principal activity</b>
Baldwins Limited	Audit, Accountancy and Taxation Services
Baldwins (Walsall) 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 (Nottingham) Limited	Audit, Accountancy and Taxation
Baldwins Corporate Services Limited	Accountancy and Taxation Services
Baldwins (Coventry) Limited	Holding Company
Baldwin McCranor Limited	Audit, Accountancy and Taxation Services
Baldwins & Simmons Business Solutions Limited	Management Consultancy

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

### 11 Stocks

	Group 2012 £	2011 £	Company 2012 £	2011 £
Finished goods and goods for resale	500	-	-	-

### 12 Debtors

	Group 2012 £	2011 £	Company 2012 £	2011 £
Trade debtors	2,237,082	1,567,513	-	-
Amounts recoverable on long term contracts	1,745,378	1,530,866	-	-
Amounts owed by group undertakings	-	-	4,427,622	3,269,707
Other debtors	360	9,907	109	1,006
Prepayments and accrued income	232,964	188,529	1,333	17,545
	<u>4,215,784</u>	<u>3,296,815</u>	<u>4,429,064</u>	<u>3,288,258</u>

### 13 Creditors : amounts falling due within one year

	Group 2012 £	2011 £	Company 2012 £	2011 £
Bank loans and overdrafts	1,981,702	1,721,938	350,000	250,000
Net obligations under finance lease and hire purchase contracts	32,854	17,397	-	-
Trade creditors	238,446	213,965	-	-
Amounts owed to group undertakings	-	-	423,633	33,034
Amounts owed to participating interests	30	-	30	-
Corporation tax	419,068	187,476	-	25,881
Taxes and social security costs	839,428	719,334	-	-
Directors current accounts	284,370	464,246	265,141	431,283
Other creditors	694,174	269,801	-	-
Accruals and deferred income	240,704	158,408	17,960	12,988
	<u>4,730,776</u>	<u>3,752,565</u>	<u>1,056,764</u>	<u>753,186</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 2012

### 14 Creditors : amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	1,312,500	687,500	1,312,500	687,500
Other loans	1,210,020	182,249	-	-
Net obligations under finance leases and hire purchase agreements	82,320	58,957	-	-
	<u>2,604,840</u>	<u>928,706</u>	<u>1,312,500</u>	<u>687,500</u>
<b>Analysis of loans</b>				
Wholly repayable within five years	3,566,694	1,389,550	1,662,500	937,500
Included in current liabilities	(1,044,174)	(519,801)	(350,000)	(250,000)
	<u>2,522,520</u>	<u>869,749</u>	<u>1,312,500</u>	<u>687,500</u>
<b>Loan maturity analysis</b>				
In more than one year but not more than two years	350,000	250,000	350,000	250,000
In more than two years but not more than five years	962,500	437,500	962,500	437,500
	<u></u>	<u></u>	<u></u>	<u></u>
<b>Net obligations under finance leases and hire purchase contracts</b>				
Repayable within one year	32,854	17,397	-	-
Repayable between one and five years	82,320	58,957	-	-
	<u>115,174</u>	<u>76,354</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(32,854)	(17,397)	-	-
	<u>82,320</u>	<u>58,957</u>	<u>-</u>	<u>-</u>

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

### 15 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 July 2011	22,508
Balance on acquisition	8,908
Profit and loss account	24,545
	<u>55,961</u>
Balance at 30 June 2012	<u>55,961</u>

The deferred tax liability is made up as follows:

	Group 2012 £	2011 £	Company 2012 £	2011 £
Accelerated capital allowances	<u>55,961</u>	<u>22,508</u>	<u>-</u>	<u>-</u>

### 16 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.

	2012 £	2011 £
Contributions payable by the group for the year	<u>53,423</u>	<u>46,162</u>

### 17 Share capital

	2012 £	2011 £
<b>Allotted, called up and fully paid</b>		
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	385,000	385,000
	<u>993,825</u>	<u>993,825</u>

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

### 18 Statement of movements on reserves Group

	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2011	841,617	(46,670)
Profit for the year	-	240,561
Dividends paid	-	(100,320)
Balance at 30 June 2012	<u>841,617</u>	<u>93,571</u>

#### Other reserves Merger Reserve

Balance at 1 July 2011 & at 30 June 2012	<u>841,617</u>
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### Company

#### Profit and loss account

	£
Balance at 1 July 2011	1,659,250
Profit for the year	508,697
Dividends paid	(100,320)
Balance at 30 June 2012	<u>2,067,627</u>

### 19 Minority interests

	2012 £	2011 £
Minority interests' share of net assets and liabilities in subsidiary undertakings	<u>(132,609)</u>	<u>(40,754)</u>



# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

<b>20</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2012</b>	<b>2011</b>
	<b>Group</b>	<b>£</b>	<b>£</b>
	Profit for the financial year	240,561	151,008
	Dividends	(100,320)	(66,880)
	Net addition to shareholders' funds	140,241	84,128
	Opening shareholders' funds	1,788,772	1,704,644
	Closing shareholders' funds	1,929,013	1,788,772
	<b>Company</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Profit for the financial year	508,697	1,537,363
	Dividends	(100,320)	(66,880)
	Net addition to shareholders' funds	408,377	1,470,483
	Opening shareholders' funds	2,653,075	1,182,592
	Closing shareholders' funds	3,061,452	2,653,075

## 21 Financial commitments

At 30 June 2012 the group had annual commitments under non-cancellable operating leases as follows

	<b>Land and buildings</b>	<b>Other</b>
	<b>2012</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Expiry date		
Within one year	15,000	11,853
Between two and five years	80,692	6,816
In over five years	177,950	-
	273,642	18,669

# BALDWINS HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

### 22 Employees

#### Number of employees

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

	2012 Number	2011 Number
Total	141	104

#### Employment costs

	2012 £	2011 £
Wages and salaries	3,235,657	2,782,704
Social security costs	327,064	280,657
Other pension costs	555,945	549,124
	4,118,666	3,612,485

### 23 Control

The company is controlled by the directors who own 97.5% of the ordinary voting share capital

### 24 Related party relationships and transactions

#### Dividends to Directors

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

	2012 £	2011 £
J Baldwin	47,527	31,914
D Baldwin	20,064	13,376
S Southall	30,723	20,587
	98,314	65,877