

Registered number
5573731

Abraham Moon Holdings Limited

Report and Accounts

31 December 2010

MONDAY



A11 *AO0GBWBW* 01/08/2011 19
COMPANIES HOUSE

Abraham Moon Holdings Limited
Directors' Report
for the year ended 31 December 2010

The directors present their report and accounts for the year ended 31 December 2010

Principal activity

The company's principal activity during the year continued to be that of a holding company
The group's principal activity during the year continued to be that of woollen manufacturing

Results and dividends

The group profit for the year, after taxation, amounted to £824,326. The company has not traded during the year. No dividends will be distributed for the year ended 31 December 2010.

Review of business

The results for the year and the financial position of the company are shown in the annexed financial statements.

A positive and encouraging year's trading driven by increased sales. Further growth is anticipated in the coming year although concerns remain over escalating raw material prices.

Principal risks

The company continues to operate predominantly in export markets and assesses its exposure on a regular basis. Its credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers and by monitoring payments against contractual agreements. The company monitors cash flow as part of its day to day control procedures. An additional risk in the coming year is escalating raw material prices.

Directors

The following directors served during the year

J P T Walsh
G G Lockwood

Directors' responsibilities

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Abraham Moon Holdings Limited
Directors' Report
for the year ended 31 December 2010

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 (UK 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 its profit or loss 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 estimates that are reasonable and prudent,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper 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 enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the directors are aware:

- there is no relevant audit information (as defined by Section 418 Companies Act 2006) of which the group's auditors are unaware,
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the board on 19 July 2011



G. G. Lockwood
Company Secretary

Abraham Moon Holdings Limited

Independent auditors' report to the shareholders of Abraham Moon Holdings Limited

We have audited the financial statements of Abraham Moon Holdings Limited for the year ended 31 December 2010 which comprise the Group & Company Profit and Loss Account, the Group & Company Balance Sheet, the Group Cash Flow Statement and the related notes. 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 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 Statement of Directors' Responsibilities set out on pages 1 and 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 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 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 company's state of affairs at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by Companies Act 2006

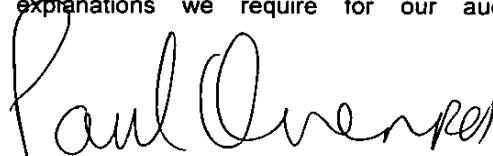
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Paul Queripel (Senior Statutory Auditor)
for and behalf of Queripel & Kettlewell Limited
The Barn, Hall Mews, Boston Spa, Wetherby, LS23 6DT



19 July 2011

Abraham Moon Holdings Limited
Profit and Loss Account - GROUP
for the year ended 31 December 2010

	Notes	2010 £	2009 £
Turnover	2	12,404,792	9,822,561
Cost of sales		(5,979,801)	(5,098,816)
Gross profit		6,424,991	4,723,745
Administrative expenses		(5,431,221)	(4,949,480)
Other operating income		86,502	(81,500)
Operating profit/(loss)	3	1,080,272	(307,235)
Interest receivable		15,981	255
Interest payable	5	(62,118)	(45,104)
Profit/loss on ordinary activities before taxation		1,034,135	(352,084)
Tax on profit on ordinary activities	6	(209,809)	11,381
Profit/loss for the financial year		824,326	(340,703)
Minority interests		-	-
Retained profit/loss for the year attributable to shareholders		824,326	(340,703)

Continuing operations

None of the group's activities were acquired or discontinued during the above two financial years

Statement of total recognised gains and losses

The group has no recognised gains or losses other than the profit/(loss) for the above two financial years

Abraham Moon Holdings Limited
Profit and Loss Account - COMPANY
for the year ended 31 December 2010

	Notes	2010 £	2009 £
Turnover	2	-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		-	(6,200)
Operating profit	3	-	6,200
Interest receivable		-	-
Interest payable	5	-	-
Profit on ordinary activities before taxation		- -	6,200
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		-	6,200

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit/(loss) for the above two financial years

Abraham Moon Holdings Limited
Balance Sheet - GROUP
as at 31 December 2010

Registered number 5573731

	Notes	2010 £	2009 £
Fixed assets			
Intangible assets	7	12,000	14,000
Tangible assets	8	<u>2,608,827</u>	<u>2,237,953</u>
		2,620,827	2,251,953
Current assets			
Stocks	10	4,320,881	3,689,519
Debtors	11	2,495,835	1,730,863
Cash at bank and in hand		<u>721,024</u>	<u>225,865</u>
		7,537,740	5,646,247
Creditors amounts falling due within one year	12	(4,112,476)	(2,695,020)
Net current assets		3,425,264	2,951,227
Total assets less current liabilities		<u>6,046,091</u>	<u>5,203,180</u>
Provisions for liabilities	13	(383,270)	(364,685)
Net assets		<u>5,662,821</u>	<u>4,838,495</u>
Capital and reserves			
Called up share capital	14	31,768	31,768
Capital redemption reserve		34,004	34,004
Profit and loss account	15	5,597,049	4,772,723
Equity Shareholders' funds	16	<u>5,662,821</u>	<u>4,838,495</u>

Approved by the board on 19 July 2011

J P T Walsh
Director



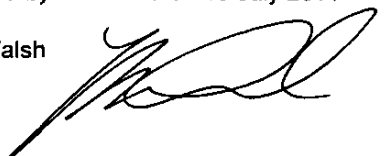
Abraham Moon Holdings Limited
Balance Sheet - COMPANY
as at 31 December 2010

Registered number 5573731

	Notes	2010 £	2009 £
Fixed assets			
Investments	9	31,768	31,768
Net current assets		-	-
Net assets		<u>31,768</u>	<u>31,768</u>
Capital and reserves			
Called up share capital	14	31,768	31,768
Profit and loss account	15	-	-
Shareholders' funds	16	<u>31,768</u>	<u>31,768</u>

Approved by the board on 19 July 2011

J P T Walsh
 Director



Abraham Moon Holdings Limited
Cash Flow Statement
for the year ended 31 December 2010

	Notes	2010 £	2009 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit/(loss)		1,080,272	(313,435)
Depreciation charges		344,054	365,333
Profit on disposal of fixed assets		(16,346)	(11,775)
Increase in stocks		(631,362)	(829,168)
Increase in debtors		(764,972)	(142,965)
Increase in creditors		1,226,232	523,320
Net cash (outflow)/inflow from operating activities		1,237,878	(408,690)
CASH FLOW STATEMENT			
Net cash (outflow)/inflow from operating activities		1,237,878	(408,690)
Returns on investments and servicing of finance	17	(46,137)	(44,849)
Taxation		-	(624)
Capital expenditure	17	(696,582)	(269,691)
(Decrease)/increase in cash		495,159	(723,854)
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash in the period		495,159	(723,854)
Increase in hire purchase debt		(31,554)	-
Change in net debt	18	463,605	(723,854)
Net debt 1 January		225,865	949,719
(Net debt)/net funds at 31 December		689,470	225,865

Abraham Moon Holdings Limited
Notes to the Accounts
for the year ended 31 December 2010

1 Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention. The consolidated accounts include the accounts of the parent company and its subsidiary.

Turnover

Turnover represents sales of goods to customers at invoiced amounts less VAT where applicable.

Intangible fixed assets

This represents goodwill, being the amount paid in connection with the acquisition of a business in 2007. It is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

Depreciation is provided to write off the cost of tangible fixed assets evenly over their expected useful life. No depreciation is charged in the year of purchase. It is calculated at the following rates:

Motor vehicles	25% pa
Leasehold property	6% pa
Plant and machinery	varying rates between 4% and 12.5% pa

Stocks

Stocks and work in progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and appropriate proportion of overheads.

Deferred taxation

Deferred taxation is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account at arriving at the operating result.

Hire purchase & leasing commitments

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

Pension costs and other retirement benefits

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as in the period to which they relate.

2 Turnover

Turnover is wholly attributable to the principal activity of the group. The analysis of turnover by geographical markets required by the Companies Act 2006 has not been provided as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the group.

		GROUP		COMPANY	
3	Operating (loss)/profit	2010	2009	2010	2009
	This is stated after charging	£	£	£	£
	Other operating leases	269,434	267,750	-	-
	Depreciation of owned fixed assets	342,054	365,848	-	-
	Profit on disposal of fixed assets	(16,346)	(11,775)	-	-
	Goodwill amortisation	2,000	2,000	-	-
	Auditors' remuneration	8,750	8,250	-	1,000
	Foreign exchange differences	(86,502)	81,500	-	-
		GROUP		COMPANY	
4	Staff costs	2010	2009	2010	2009
		£	£	£	£
	Wages and salaries	3,613,287	3,388,000	-	-
	Social security costs	369,980	344,890	-	-
	Other pension costs	208,027	214,906	-	-
	Total	4,191,294	3,947,796	-	-
Average number of employees during the year		Number	Number	Number	Number
	Administration	11	9	-	-
	Manufacturing	158	165	-	-
	Distribution	2	2	-	-
	Total	171	176	-	-

Abraham Moon Holdings Limited
Notes to the Accounts
for the year ended 31 December 2010

	GROUP 2010 £	2009 £	COMPANY 2010 £	2009 £
5 Interest payable				
Bank interest	8,779	25,621	-	-
Loan interest	53,339	19,483	-	-
Total	62,118	45,104	-	-

	GROUP 2010 £	2009 £	COMPANY 2010 £	2009 £
6 Taxation				
Analysis of charge in period				
Current tax	191,224	-	-	-
Deferred tax	18,585	(11,381)	-	-
Tax on profit/(loss) on ordinary activities	209,809	(11,381)	-	-

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	GROUP 2010 £	2009 £	COMPANY 2010 £	2009 £
Profit/(loss) on ordinary activities before tax	1,034,135	(352,084)	-	6,200
Standard rate of corporation tax in the UK	28%	28%	28%	28%
	£	£	£	£
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax	289,558	(98,584)	-	1,736
Effects of				
Expenses not deductible for tax purposes	1,779	1,240	-	-
Capital allowances for period in excess of depreciation	(163)	40,139	-	-
Increase/(decrease) in tax losses	(98,845)	57,205	-	(1,736)
Marginal tax relief	(1,105)	-	-	-
Current tax charge for period	191,224	-	-	-

	GROUP 2010 £	COMPANY 2010 £
7 Intangible fixed assets		
Goodwill		
Cost		
At 1 January & 31 December 2010	20,000	-
Amortisation		
At 1 January 2010	4,000	-
Amortisation for year	2,000	-
At 31 December 2010	6,000	-
Net book value		
At 31 December 2010	14,000	-
At 31 December 2009	16,000	-

	Freehold property £	Short leasehold £	Plant & machinery £	Total £
8 Tangible fixed assets				
GROUP				
Cost				
At 1 January 2010		86,978	8,092,951	8,179,929
Additions	230,000	-	482,932	712,932
Disposals	-	-	(189,476)	(189,476)
At 31 December 2010	230,000	86,978	8,386,407	8,703,385
Depreciation				
At 1 January 2010	-	8,291	5,933,685	5,941,976
Charge for the year	-	5,815	336,239	342,054
Disposals	-	-	(189,472)	(189,472)
At 31 December 2010	-	14,106	6,080,452	6,094,558
Net book value				
At 31 December 2010	230,000	72,872	2,305,955	2,608,827
At 31 December 2009	-	78,687	2,159,266	2,237,953

Abraham Moon Holdings Limited
Notes to the Accounts
for the year ended 31 December 2010

9 Fixed asset investment
COMPANY

Cost

At 1 January 2010

Additions

At 31 December 2010

Investment in
subsidiary
£

31,768

-

31,768

The company owns 100% of the share capital of the Abraham Moon & Sons Limited

Company

Nature of business

2010

2010

Net assets

Profit

£

for year

£

£

Abraham Moon & Sons Limited

Woollen manufacturing

5,662,821

824,326

10 Stocks

GROUP

2010

2009

COMPANY

2010

2009

£

£

£

£

Raw materials

2,253,211

1,936,183

-

-

Stores

66,286

68,114

-

-

Work in progress

730,223

604,750

-

-

Finished goods

1,271,161

1,080,472

-

-

Total

4 320 881

3,689,519

-

-

11 Debtors

GROUP

2010

2009

COMPANY

2010

2009

£

£

£

£

Trade debtors

2,209,164

1,531,975

-

-

Prepayments and accrued income

286,671

198,888

-

-

Total

2,495,835

1,730,863

-

-

12 Creditors amounts falling due within one year

GROUP

2010

2009

COMPANY

2010

2009

£

£

£

£

Hire purchase contracts

31,554

-

-

-

Trade creditors

415,392

681,380

-

-

Corporation tax

191,224

-

-

-

Social security & other taxes

190,822

104,176

-

-

VAT

183,375

229,750

-

-

Other creditors

135

-

-

-

Associated company

2,268,557

977,869

-

-

Accruals and deferred income

831,417

701,845

-

-

Total

4,112,476

2 695 020

-

-

13 Provisions for liabilities

GROUP

2010

2009

COMPANY

2010

2009

£

£

£

£

Deferred tax

Balance at 1 January 2010

364,685

376,066

-

-

Movement in the year

18,585

(11,381)

-

-

Balance at 31 December 2010

383,270

364,685

-

-

14 Share capital

2010

2009

GROUP

2010

2009

COMPANY

2010

2009

No

No

£

£

£

£

Allotted, called up and fully paid

31,768

31,768

31,768

31,768

31,768

31,768

Ordinary shares of £1 each

15 Profit and loss account

GROUP

2010

2009

COMPANY

2010

2009

£

£

£

£

At 1 January 2010

4,772,723

5,113,426

-

(6,200)

Profit/(loss) for the financial year

824,326

(340,703)

-

6,200

At 31 December 2010

5,597,049

4,772,723

-

-

Abraham Moon Holdings Limited
Notes to the Accounts
for the year ended 31 December 2010

	GROUP		COMPANY	
	2010	2009	2010	2009
	£	£	£	£
16 Reconciliation of movement in shareholders' funds				
At 1 January 2010	4,772,723	5,113,426	31,768	25,568
Profit/(loss) for the financial year	824,326	(340,703)	-	6,200
At 31 December 2010	<u>5,597,049</u>	<u>4,772,723</u>	<u>31,768</u>	<u>31,768</u>

	2010	2009
	£	£
17 Gross cash flows		
Returns on investments and servicing of finance		
Interest received	15,981	255
Interest paid	(62,118)	(45,104)
Total	<u>(46,137)</u>	<u>(44,849)</u>
Capital expenditure		
Payments to acquire tangible fixed assets	(712,932)	(284,191)
Receipts from sales of tangible fixed assets	16,350	14,500
Total	<u>(696,582)</u>	<u>(269,691)</u>

	At 1 Jan 2010	Cash flows	At 31 Dec 2010
	£	£	£
18 Analysis of changes in net debt			
Cash at bank	225,865	495,159	721,024
Hire purchase	-	(31,554)	(31,554)
Total	<u>225,865</u>	<u>463,605</u>	<u>689,470</u>

19 Other financial commitments
GROUP

At the year end the group had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	Land and buildings
	2010	2009
	£	£
Operating leases which expire		
In more than five years	250,000	250,000

20 Related parties

At the end of the year the group was owed £2,268,557 (2009 - £977,869) by Tempest Bailey Limited, a company under common control. During the year the group paid rent of £250,000 to Tempest Bailey Limited, recharged expenses of £132,461, paid loan interest of £53,339, bought store building for £230,000 and received additional loan of £955,000.

21 Controlling party

The ultimate controlling party is Mr J P T Walsh