Registration number: 03733384

Hallett Retail Services Limited

Annual Report and Consolidated Financial Statements

for the Period from 2 September 2012 to 31 August 2013

MHI Audit LLP
Chartered Certified Accountants and Registered Auditors
25 High Street
Rickmansworth
Hertfordshire
WD3 1ET

HALLETT RETAIL SERVICES LIMITED
CONTENTS

HALLETT RETAIL SERVICES LIMITED

COMPANY INFORMATION

Directors	Mrs Wendy Hallett Mr Kevin Hallett
Company secretary	Mr Kevin Hallett
Registered office	26 A Church Lane East Finchley London N2 8DT
Auditors	MHI Audit LLP Chartered Certified Accountants and Registered Auditors 25 High Street Rickmansworth Hertfordshire WD3 1ET

The directors present their report and the consolidated financial statements for the period from 2 September 2012 to 31 August 2013.

Directors of the company
The directors who held office during the period were as follows:

Mrs Wendy Hallett

Mr Kevin Hallett

Principal activity
The principal activity of the group is the provision of concession services to the UK and Irish high street retail industry as well as pre retailing garments.

Business review

Fair review of the business
The directors of Hallett Retail Services Limited (HRS) have undergone a year of investment and this is reflected in the financial results. The retail industry faced a challenging 12 months as the UK was still in recession. The directors have used this period of lesser activity in order to develop other areas within the retail market in order to reduce risk. This includes investments in various Ecommerce channels and also by investing in vertically integrated businesses.

In the past 12 months, the directors approved the purchase of a state of the art ecommerce facility (Hallett Retail Logistics Limited) in order to extend the vertical supply chain and open up opportunities that it previously was unable to fulfil. Subsequent to the acquisition, a 5 month period of capital investment was undertaken by HRS in order to maximise the company's potential. This has subsequently paid dividends in so much as Hallett Retail Logistics currently trades with a number of major high street retailers and brands.

Towards the end of the financial year, the directors also approved the purchase of the Stylistpick website in the form of an asset purchase agreement.This was a sales channel that was in use within HRS and the opportunity arose to move the Fuse Fashion website forwards several years by purchasing the database of Stylistpick.

The group's key financial and other performance indicators during the period were as follows:

	Unit	2013	2012
Annualised Turnover	£	11,446,299	22,322,684
Annualised Turnover Growth	%	(49)	13
Gross Profit Margin	%	50	51
Profit before Tax	£	(582,088)	4,796,050

All investments are made with the long term plan of adding to the value of the overall group of companies. HRL now fulfils the ecommerce orders for several sales channels and more are coming on-line all the time. This is considered to be a growth area for HRS which is why the integration of HRL into the group was essential.

The report stated last year that the company was going to rationalise at divisional levels to create less management layers and this is what has occurred although the benefits of this will be shown in the next financial year.

Principal risks and uncertainties

Currency Risk

The company operates both in the UK and Europe and does have the need to utilise and be paid in foreign currency. The company does not currently hedge such foreign currency cash flows and as a consequence is exposed through fluctuations in foreign exchange rates. During the period the company had an overall loss on foreign exchange of £9,571 (01 September 2012 gain - £44,111) which has been charged (01 September 2012 credited) to the profit and loss account.

Interest Rate Risk

The company receives bank interest on deposits held with banks; all based on the floating interest rates. The company does not hedge the floating rate to a fixed rate and accordingly the company is subject to interest rate risk through fluctuations in base rates.

Financial instruments

Objectives and policies

Environment Policy

The company's policy with regard to the environment is to ensure that we understand and effectively manage the actual and potential environment impact of our activities. Our operations are conducted that we comply with all legal requirements and new ways of multi-functional working.

Employee Policy

Employee's performance is aligned to company goals through a performance review process that is carried out with all employees.

Creditor Payment Policy

It is the company's policy to maintain good relationships with its suppliers. Suppliers are made aware of the terms of payment, which are agreed with them in advance and these terms are adhered to.

Price risk, credit risk, liquidity risk and cash flow risk

The business's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility. All of the business's cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

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

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 group and the company 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to the auditor
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Approved by the Board on 24 June 2014 and signed on its behalf by:

K Hallett

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Mr Kevin Hallett
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HALLETT RETAIL SERVICES LIMITED

We have audited the financial statements of Hallett Retail Services Limited for the period from 2 September 2012 to 31 August 2013, set out on pages 7 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 parent 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 Reportand Consolidated Financial Statements 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 of the parent company's affairs as at 31 August 2013 and of the group's loss for the period 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 period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

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Mr G P Amasanti (Senior Statutory Auditor)
For and on behalf of MHI Audit LLP, Statutory Auditor

25 High Street
Rickmansworth
Hertfordshire
WD3 1ET

24 June 2014

HALLETT RETAIL SERVICES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 2 SEPTEMBER 2012 TO 31 AUGUST 2013

	Note	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Turnover	2	11,446,299	22,322,684
Cost of sales		(5,761,805)	(10,890,342)
Gross profit		5,684,494	11,432,342
Distribution costs		(4,875)	-
Administrative expenses		(6,271,859)	(6,651,801)
Group operating (loss)/profit	3	(592,240)	4,780,541
Other interest receivable and similar income	6	27,660	31,225
Interest payable and similar charges	7	(17,508)	(15,716)
(Loss)/profit on ordinary activities before taxation		(582,088)	4,796,050
Tax on (loss)/profit on ordinary activities	8	48,999	(1,309,316)
(Loss)/profit for the financial period attributable to members of the parent company	19	(533,089)	3,486,734

Turnover and operating profit derive wholly from continuing operations.

The group has no recognised gains or losses for the period other than the results above.

HALLETT RETAIL SERVICES LIMITED
CONSOLIDATED BALANCE SHEET AT 31 AUGUST 2013

		31 August 2013		1 September 2012	
	Note	£	£	£	£
Fixed assets					
Intangible fixed assets	9		151,880		-
Tangible fixed assets	10		3,420,946		2,656,296
Current assets					
Stocks	12	62,974		-	
Debtors	13	4,549,752		6,821,303	
Cash at bank and in hand		1,710,698		4,697,849	
		6,323,424		11,519,152	
Creditors: Amounts falling due within one year	14	(7,131,839)		(10,240,733)	
Net current (liabilities)/assets			(808,415)		1,278,419
Total assets less current liabilities			2,764,411		3,934,715
Creditors: Amounts falling due after more than one year	15		(340,059)		-
Provisions for liabilities	16		(10,000)		(34,213)
Net assets			2,414,352		3,900,502
Capital and reserves					
Called up share capital	17	2		2	
Profit and loss account	19	2,414,350		3,900,500	
Shareholders' funds	20		2,414,352		3,900,502

Approved and authorised for issue by the Board on 24 June 2014 and signed on its behalf by:

K Hallett

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Mr Kevin Hallett
Director

HALLETT RETAIL SERVICES LIMITED
(REGISTRATION NUMBER: 03733384)
BALANCE SHEET AT 31 AUGUST 2013

	Note	31 August 2013 £	1 September 2012 £
Fixed assets			
Tangible fixed assets	10	2,529,092	2,656,296
Investments	11	87,242	-
		2,616,334	2,656,296
Current assets			
Stocks	12	52,718	-
Debtors	13	5,136,601	6,821,303
Cash at bank and in hand		1,693,243	4,697,849
		6,882,562	11,519,152
Creditors: Amounts falling due within one year	14	(6,608,991)	(10,240,733)
Net current assets		273,571	1,278,419
Total assets less current liabilities		2,889,905	3,934,715
Creditors: Amounts falling due after more than one year	15	(326,700)	-
Provisions for liabilities	16	(10,000)	(34,213)
Net assets		2,553,205	3,900,502
Capital and reserves			
Called up share capital	17	2	2
Profit and loss account	19	2,553,203	3,900,500
Shareholders' funds	20	2,553,205	3,900,502

Approved and authorised for issue by the Board on 24 June 2014 and signed on its behalf by:

K Hallett

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Mr Kevin Hallett
Director

HALLETT RETAIL SERVICES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 2 SEPTEMBER 2012 TO 31 AUGUST 2013

Reconciliation of operating loss/profit to net cash flow from operating activities

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Operating (loss)/profit	(592,240)	4,780,541
Depreciation, amortisation and impairment charges	585,015	498,005
Loss on disposal of fixed assets	-	12,304
Increase in stocks	(62,974)	-
Decrease/(increase) in debtors	2,271,551	(442,485)
Decrease in creditors	(2,756,376)	(1,435,042)
Net cash (outflow)/inflow from operating activities	(555,024)	3,413,323

Cash flow statement

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Net cash (outflow)/inflow from operating activities	(555,024)	3,413,323
Returns on investments and servicing of finance		
Interest received	27,660	31,225
Interest paid	(17,508)	(15,716)
	10,152	15,509
Tax paid	(553,031)	(1,051,251)
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(156,242)	-
Purchase of tangible fixed assets	(1,345,303)	(1,093,522)
	(1,501,545)	(1,093,522)
Equity dividends paid	(953,061)	(1,420,000)
Net cash outflow before management of liquid resources and financing	(3,552,509)	(135,941)
Financing		
Repayment of loans and borrowings	505,987	-
Repayment of capital element of finance leases and HP contracts	59,371	-
	565,358	-
Decrease in cash	(2,987,151)	(135,941)

The notes on pages 12 to 25 form an integral part of these financial statements.

Reconciliation of net cash flow to movement in net debt

	Note	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Decrease in cash		(2,987,151)	(135,941)
Cash outflow from repayment of loans		(505,987)	-
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		(59,371)	-
Change in net debt resulting from cash flows	23	(3,552,509)	(135,941)
Movement in net debt	23	(3,552,509)	(135,941)
Net funds at start of period	23	4,697,849	4,833,790
Net funds at end of period	23	1,145,340	4,697,849

1 Accounting policies

Basis of preparation
The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of consolidation
The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 August 2013.
Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its loss for the financial period was £394,236 (2012 - £3,486,734 profit).

Turnover
Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Goodwill
Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

If a subsidiary, associate or business is subsequently sold or closed, any goodwill arising on acquisition that was written off directly to reserves or that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or closure.

Amortisation
Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	10% straight line

Depreciation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	6.67% reducing balance
Short leasehold improvements	Over the term of the lease / 20% straight line
Computer equipment	20 - 25% reducing balance / straight line
Fixtures and fittings	20 - 33% reducing balance / straight line
Motor vehicles	25% reducing balance / straight line

Stock
Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Foreign currency

Company

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Hire purchase and leasing

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

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The group operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Turnover

An analysis of turnover by geographical location is given below:

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Sales - UK	10,581,542	20,206,555
Sales - Europe	863,075	1,995,112
Sales - Rest of world	1,682	121,017
	11,446,299	22,322,684

3 Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Operating leases - plant and machinery	6,276	-
Operating leases - other assets	-	100,821
Foreign currency losses/(gains)	9,571	(44,111)
Loss on sale of tangible fixed assets	-	12,304
Depreciation of owned assets	580,653	498,005
Amortisation	4,362	-

4 Particulars of employees

The average number of persons employed by the group (including directors) during the period, analysed by category was as follows:

	2 September 2012 to 31 August 2013 No.	28 August 2011 to 1 September 2012 No.
Administration and support	92	107
Sales, marketing and distribution	759	1,478
	851	1,585

The aggregate payroll costs were as follows:

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Wages and salaries	8,428,758	13,058,824
Social security costs	543,284	789,253
Staff pensions	73,743	101,466
	9,045,785	13,949,543

5 Directors' remuneration

The directors' remuneration for the period was as follows:

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Remuneration	77,834	90,000

6 Other interest receivable and similar income

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Bank interest receivable	23,337	31,225
Other interest receivable	4,323	-
Group interest receivable	27,660	31,225

7 Interest payable and similar charges

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Interest on bank borrowings	3,045	48
Other interest payable	14,463	15,668
Group interest payable and similar charges	17,508	15,716

8 Taxation

Tax on (loss)/profit on ordinary activities

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
Current tax		
Corporation tax (credit)/charge	(30,000)	1,295,785
Adjustments in respect of previous years	5,214	2,454
UK Corporation tax	(24,786)	1,298,239
Deferred tax		
Origination and reversal of timing differences	(24,213)	11,077
Total tax on (loss)/profit on ordinary activities	(48,999)	1,309,316

Factors affecting current tax charge for the period

Tax on (loss)/profit on ordinary activities for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 22% (2012 - 25.17%).

The differences are reconciled below:

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
(Loss)/profit on ordinary activities before taxation	(582,088)	4,796,050
Corporation tax at standard rate	(128,059)	1,207,166
Depreciation in excess of capital allowances	11,414	(17,821)
Other timing differences	13,056	2,489
Expenses not deductible for tax purposes	46,406	103,951
Adjustment to prior year tax charge	(9,256)	2,454
Utilisation of tax losses	30,000	-
Other differences	11,653	-
Total current tax	(24,786)	1,298,239

9 Intangible fixed assets

Group

	Goodwill £	Total £
Cost		
Additions	156,242	156,242
At 31 August 2013	156,242	156,242
Amortisation		
Charge for the period	4,362	4,362
At 31 August 2013	4,362	4,362
Net book value		
At 31 August 2013	151,880	151,880

10 Tangible fixed assets

Group

	Freehold land and buildings £	Short leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Other tangibles £	Total £
Cost or valuation							
At 2 September 2012	439,928	396,886	521,460	1,646,289	55,298	760,400	3,820,261
Additions	81,414	3,871	679,521	160,504	15,728	404,265	1,345,303
At 31 August 2013	521,342	400,757	1,200,981	1,806,793	71,026	1,164,665	5,165,564
Depreciation							
At 2 September 2012	6,416	67,361	232,623	627,560	27,433	202,572	1,163,965
Charge for the period	4,572	26,757	78,358	298,681	10,169	162,116	580,653
At 31 August 2013	10,988	94,118	310,981	926,241	37,602	364,688	1,744,618
Net book value							
At 31 August 2013	510,354	306,639	890,000	880,552	33,424	799,977	3,420,946
At 1 September 2012	433,512	329,525	288,837	1,018,729	27,865	557,828	2,656,296

Leased assets
Included within the net book value of tangible fixed assets is £1,165 (2012 - £3,493) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the period on these assets was £2,329 (2012 - £2,329).

Company

	Freehold land and buildings £	Short leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Other tangibles £	Total £
Cost or valuation							
At 2 September 2012	439,928	396,886	521,460	1,646,289	55,298	760,400	3,820,261
Additions	-	3,871	5,040	131,455	12,234	282,436	435,036
At 31 August 2013	439,928	400,757	526,500	1,777,744	67,532	1,042,836	4,255,297
Depreciation							
At 2 September 2012	6,416	67,361	232,623	627,560	27,433	202,572	1,163,965
Charge for the period	2,878	26,757	72,855	296,303	9,005	154,442	562,240
At 31 August 2013	9,294	94,118	305,478	923,863	36,438	357,014	1,726,205
Net book value							
At 31 August 2013	430,634	306,639	221,022	853,881	31,094	685,822	2,529,092
At 1 September 2012	433,512	329,525	288,837	1,018,729	27,865	557,828	2,656,296

11 Investments held as fixed assets

Group

Company

	31 August 2013 £	1 September 2012 £
Shares in group undertakings and participating interests	87,242	-

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
Additions	87,242	87,242
At 31 August 2013	87,242	87,242
Net book value		
At 31 August 2013	87,242	87,242

12 Stocks

	Group		Company	
	31 August 2013 £	1 September 2012 £	31 August 2013 £	1 September 2012 £
Stocks	62,974	-	52,718	-

13 Debtors

	Group		Company	
	31 August 2013 £	1 September 2012 £	31 August 2013 £	1 September 2012 £
Trade debtors	4,076,422	6,126,755	3,940,172	6,126,755
Amounts owed by group undertakings	-	-	801,472	-
Other debtors	79,794	122,262	42,937	122,262
Directors' current accounts	207,332	288,232	207,332	288,232
Prepayments and accrued income	186,204	284,054	144,688	284,054
	4,549,752	6,821,303	5,136,601	6,821,303

14 Creditors: Amounts falling due within one year

	Group		Company	
	31 August 2013 £	1 September 2012 £	31 August 2013 £	1 September 2012 £
Trade creditors	5,301,604	7,322,699	5,090,071	7,322,699
Bank loans and overdrafts	165,928	-	73,300	-
Obligations under finance lease and hire purchase contracts	59,371	-	-	-
Corporation tax	451,613	1,029,430	451,613	1,029,430
Other taxes and social security	146,273	749,785	212,009	749,785
Other creditors	496,543	695,079	496,543	695,079
Accruals and deferred income	510,507	443,740	285,455	443,740
	7,131,839	10,240,733	6,608,991	10,240,733

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the group/company:

Company

	31 August 2013 £	1 September 2012 £
Bank loans and overdrafts	73,300	-

Please refer to not 13.1 for details of security given by the company

15 Creditors: Amounts falling due after more than one year

	Group		Company	
	31 August 2013 £	1 September 2012 £	31 August 2013 £	1 September 2012 £
Bank loans and overdrafts	340,059	-	326,700	-

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the group/company:

Company

	31 August 2013 £	1 September 2012 £
Bank loans and overdrafts	326,700	-

Bank loans and overdrafts are secured under a mortgage debenture in favour of Barclays Bank Plc incorporating a fixed and floating charge over all property and undertakings of the company, in particular all the leasehold land being Flat 2 Chantry Court and Garage No 4 Chantry Court.

Obligations under finance leases and HP contracts

Amounts repayable:

	Group		Company	
	31 August 2013	**1 September 2012**	**31 August 2013**	**1 September 2012**
	£	**£**	**£**	**£**
In one year or less on demand	59,371	-	-	-

16 Provisions

Group

	Deferred tax	Total
	£	£
At 2 September 2012	34,213	34,213
Utilised during the period	(24,213)	(24,213)
At 31 August 2013	10,000	10,000

Analysis of deferred tax

	31 August 2013	1 September 2012
	£	£
Accelerated capital allowances	10,000	34,213

Company

	Deferred tax	Total
	£	£
At 2 September 2012	34,213	34,213
Utilised during the period	(24,213)	(24,213)
At 31 August 2013	10,000	10,000

Analysis of deferred tax

	31 August 2013	1 September 2012
	£	£
Accelerated capital allowances	10,000	34,213

17 Share capital

Allotted, called up and fully paid shares

	31 August 2013		1 September 2012	
	No.	£	No.	£
Ordinary shares of £1 each	2	2	2	2

18 Dividends

	31 August 2013 £	1 September 2012 £
Dividends paid		
Current period interim dividend paid	953,061	1,420,000

19 Reserves

Group

	Profit and loss account £	Total £
At 2 September 2012	3,900,500	3,900,500
Loss for the period	(533,089)	(533,089)
Dividends	(953,061)	(953,061)
At 31 August 2013	2,414,350	2,414,350

Company

	Profit and loss account £	Total £
At 2 September 2012	3,900,500	3,900,500
Loss for the period	(394,236)	(394,236)
Dividends	(953,061)	(953,061)
At 31 August 2013	2,553,203	2,553,203

20 Reconciliation of movement in shareholders' funds

Group

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
(Loss)/profit attributable to the members of the group	(533,089)	3,486,734
Dividends	(953,061)	(1,420,000)
Net (reduction)/addition to shareholders' funds	(1,486,150)	2,066,734
Shareholders' funds at start of period	3,900,502	1,833,768
Shareholders' funds at end of period	2,414,352	3,900,502

Company

	2 September 2012 to 31 August 2013 £	28 August 2011 to 1 September 2012 £
(Loss)/profit attributable to the members of the company	(394,236)	3,486,734
Dividends	(953,061)	(1,420,000)
Net (reduction)/addition to shareholders' funds	(1,347,297)	2,066,734
Shareholders' funds at start of period	3,900,502	1,833,768
Shareholders' funds at end of period	2,553,205	3,900,502

21 Pension schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the group to the scheme and amounted to £73,743 (2012 - £101,466).

Contributions totalling £5,103 (2012 - £11,050) were payable to the scheme at the end of the period and are included in creditors.

22 Commitments

Operating lease commitments

Group

As at 31 August 2013 the group had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	31 August 2013 £	1 September 2012 £
Land and buildings		
Within one year	4,000	-
Over five years	201,099	208,710
	205,099	208,710
Other		
Within one year	48,053	6,008
Within two and five years	-	127,895
	48,053	133,903

Company

As at 31 August 2013 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	31 August 2013 £	1 September 2012 £
Land and buildings		
Within one year	4,000	-
Within two and five years	-	-
Over five years	76,452	84,063
	80,452	84,063
Other		
Within one year	48,053	6,008
Within two and five years	-	127,895
Over five years	-	-
	48,053	133,903

23 Analysis of net debt

	At 2 September 2012 £	Cash flow £	At 31 August 2013 £
Cash at bank and in hand	4,697,849	(2,987,151)	1,710,698
Debt due within one year	-	(165,928)	(165,928)

Debt due after more than one year	-	(340,059)	(340,059)
Finance leases and hire purchase contracts	-	(59,371)	(59,371)
Net funds	4,697,849	(3,552,509)	1,145,340

24 Related party transactions

Directors' advances and credits

	2 September 2012 to 31 August 2013 Advance/ Credit £	2 September 2012 to 31 August 2013 Repaid £	28 August 2011 to 1 September 2012 Advance/ Credit £	28 August 2011 to 1 September 2012 Repaid £
Mrs Wendy Hallett				
Amounts owed to/(from) directors	(207,332)	80,900	(288,232)	-

25 Control

The company is controlled by the directors who own 100% of the called up share capital.