

REGISTERED NUMBER: 00419883 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 30 April 2015
for
The Downland Bedding Company Limited

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The Downland Bedding Company Limited (Registered number: 00419883)

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for the Year Ended 30 April 2015**

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The Downland Bedding Company Limited

Company Information
for the Year Ended 30 April 2015

DIRECTORS:

G.R. Smith
G.O. Smith
F.G. Smith
M.R. Smith

SECRETARY:

G R Smith

REGISTERED OFFICE:

Scotzdown Mill
23 Blackstock Street
LIVERPOOL
L3 6ER

REGISTERED NUMBER:

00419883 (England and Wales)

AUDITORS:

Thornton Springer LLP
Chartered Accountants
Statutory Auditor
67 Westow Street
London
United Kingdom
SE19 3RW

The Downland Bedding Company Limited (Registered number: 00419883)

Strategic Report
for the Year Ended 30 April 2015

The directors present their strategic report for the year ended 30 April 2015.

REVIEW OF BUSINESS

The company's product range includes traded goods, pillows and duvets. The key performance indicators are product turnover and profit margins. Turnover has increased by 2.25% and overall margins increased by 1.3%.

This is in line with the directors' expectations, with operating profits increasing to £296,411 in 2015 from £166,603 in 2014.

The company faces a number of risks and uncertainties and the directors believe that those that are key to the business are in respect of competition from other UK manufacturers and meeting customer expectations for quality, delivery performance and availability. The directors also recognise that there are a number of trading factors outside their control which may affect the future development of the company.

The directors anticipate that the business environment will remain competitive. However, the company is in a good financial position and the directors are confident that, in spite of the current economic conditions, the company has the ability to continue to grow.

The recent acquisition of the adjacent warehouse in Blackstock Street will drive further operational efficiency and sales growth.

PRINCIPAL RISKS AND UNCERTAINTIES

Interest rate risk

The company finances its operations through a mixture of retained profits and bank borrowings. Bank borrowings are in the form of a secured overdraft facility with variable interest rates.

Liquidity risk

The company manages liquidity risk by the careful monitoring of working capital with particular emphasis on stock management and purchasing. Short term flexibility is, as stated above, managed within the existing bank borrowing facility.

Foreign currency risk

The company buys much of its stock from overseas markets and manages its risk to fluctuating exchange rates by using forward exchange rate contracts, primarily in US dollars and the Chinese yuan. The company's policy is to cover much of its exposure to customer and supplier contractual obligations by fixing the rate for when foreign currency will be required.

FREEHOLD PROPERTY MARKET VALUE

The freehold property 23 Blackstock Street with a net book value of £75,404 as at 30th April 2013, was valued in July 2005 at £375,000. In the opinion of the directors, the cost of obtaining an up-to-date valuation is not justified.

BY ORDER OF THE BOARD:



G R Smith - Secretary

25 January 2016

Report of the Directors
for the Year Ended 30 April 2015

The directors present their report with the financial statements of the company for the year ended 30 April 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and sale of pillows and bedding and the importation and sale of textile products.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2015.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2014 to the date of this report.

G.R. Smith
G.O. Smith
F.G. Smith
M.R. Smith

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 profit or loss of the company 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;
- 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 company's transactions and disclose with reasonable accuracy at any time the financial position of 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 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 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Thornton Springer LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD:


G R Smith - Secretary

25 January 2016

**Report of the Independent Auditors to the Members of
The Downland Bedding Company Limited**

We have audited the financial statements of The Downland Bedding Company Limited for the year ended 30 April 2015 on pages six to twenty. 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 a Report of the Auditors 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 page three, 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. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 company's affairs as at 30 April 2015 and of its 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
The Downland Bedding Company Limited**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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.

P L Wallyn FCA (Senior Statutory Auditor)
for and on behalf of Thornton Springer LLP
Chartered Accountants
Statutory Auditor
67 Westow Street
London
United Kingdom
SE19 3RW

25 January 2016

The Downland Bedding Company Limited (Registered number: 00419883)

Profit and Loss Account
for the Year Ended 30 April 2015

	Notes	30.4.15 £	30.4.14 £
TURNOVER	2	9,506,102	9,297,758
Cost of sales		(7,461,454)	(7,421,787)
GROSS PROFIT		2,044,648	1,875,971
Distribution costs		(736,693)	(703,881)
Administrative expenses		(1,023,590)	(1,006,412)
		284,365	165,678
Other operating income		12,046	925
OPERATING PROFIT	4	296,411	166,603
Interest receivable and similar income		1,194	473
		297,605	167,076
Interest payable and similar charges	5	(7,959)	(9,740)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		289,646	157,336
Tax on profit on ordinary activities	6	(1,400)	(30,692)
PROFIT FOR THE FINANCIAL YEAR		288,246	126,644

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

The Downland Bedding Company Limited (Registered number: 00419883)

Balance Sheet
30 April 2015

	Notes	30.4.15 £	30.4.14 £
FIXED ASSETS			
Tangible assets	7	907,913	211,504
Investments	8	41,415	41,415
		<u>949,328</u>	<u>252,919</u>
CURRENT ASSETS			
Stocks	9	1,254,083	1,298,099
Debtors	10	2,079,982	1,777,449
Cash at bank and in hand		219,525	106,877
		<u>3,553,590</u>	<u>3,182,425</u>
CREDITORS			
Amounts falling due within one year	11	(2,151,116)	(1,701,422)
NET CURRENT ASSETS		<u>1,402,474</u>	<u>1,481,003</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,351,802</u>	<u>1,733,922</u>
CREDITORS			
Amounts falling due after more than one year	12	(522,188)	(193,029)
PROVISIONS FOR LIABILITIES	16	(23,400)	(22,000)
ACCRUALS AND DEFERRED INCOME	17	(7,085)	(8,010)
NET ASSETS		<u><u>1,799,129</u></u>	<u><u>1,510,883</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	5,000	5,000
Profit and loss account	19	1,794,129	1,505,883
SHAREHOLDERS' FUNDS	25	<u><u>1,799,129</u></u>	<u><u>1,510,883</u></u>

The financial statements were approved by the Board of Directors on 25 January 2016 and were signed on its behalf by:


G.R. Smith - Director

The notes form part of these financial statements

The Downland Bedding Company Limited (Registered number: 00419883)

Cash Flow Statement
for the Year Ended 30 April 2015

	Notes	30.4.15 £	30.4.14 £
Net cash inflow from operating activities	1	567,435	255,331
Returns on investments and servicing of finance	2	(6,765)	(9,267)
Taxation		(22,119)	(32,843)
Capital expenditure	2	(743,140)	(55,071)
		(204,589)	158,150
Financing	2	536,998	11,759
Increase in cash in the period		332,409	169,909
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		332,409	169,909
Cash inflow from increase in debt and lease financing		(528,376)	(4,035)
Change in net debt resulting from cash flows		(195,967)	165,874
Movement in net debt in the period		(195,967)	165,874
Net debt at 1 May		(141,648)	(307,522)
Net debt at 30 April		(337,615)	(141,648)

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 30 April 2015

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30.4.15	30.4.14
	£	£
Operating profit	296,411	166,603
Depreciation charges	48,451	40,194
Profit on disposal of fixed assets	(1,724)	-
Decrease/(increase) in stocks	44,016	(215,392)
(Increase)/decrease in debtors	(320,626)	161,489
Increase in creditors	500,907	102,437
Net cash inflow from operating activities	567,435	255,331

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30.4.15	30.4.14
	£	£
Returns on investments and servicing of finance		
Interest received	1,194	473
Interest paid	(7,959)	(9,740)
Net cash outflow for returns on investments and servicing of finance	(6,765)	(9,267)
Capital expenditure		
Purchase of tangible fixed assets	(748,470)	(55,071)
Sale of tangible fixed assets	5,330	-
Net cash outflow for capital expenditure	(743,140)	(55,071)
Financing		
New loans in year	532,900	-
Capital repayments in year	(4,524)	4,035
Amount introduced by directors	31,849	32,429
Amount withdrawn by directors	(23,227)	(24,705)
Net cash inflow from financing	536,998	11,759

The Downland Bedding Company Limited (Registered number: 00419883)

Notes to the Cash Flow Statement
for the Year Ended 30 April 2015

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.5.14	Cash flow	At
	£	£	30.4.15
			£
Net cash:			
Cash at bank and in hand	106,877	112,648	219,525
Bank overdraft	(219,761)	219,761	-
	<u>(112,884)</u>	<u>332,409</u>	<u>219,525</u>
Debt:			
Hire purchase	(16,730)	4,524	(12,206)
Debts falling due within one year	-	(198,846)	(198,846)
Debts falling due after one year	(12,034)	(334,054)	(346,088)
	<u>(28,764)</u>	<u>(528,376)</u>	<u>(557,140)</u>
Total	<u>(141,648)</u>	<u>(195,967)</u>	<u>(337,615)</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 April 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about The Downland Bedding Company Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option as the component company was dormant throughout the the year under review and is not considered material for the purposes of consolidation.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax. Income is recognised when the contractual title to the goods passes to the customer.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost buildings
Plant and machinery	- 25% on cost, 20% on cost and 15% on cost
Motor vehicles	- 25% on cost

Stocks

Stock and work in progress is valued at the lower of cost and net realisable value. Cost includes the cost of direct materials plus attributable overheads based on a normal level of activity. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date.

This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted.

Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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 post-retirement benefits

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

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

1. ACCOUNTING POLICIES - continued

Government grants

Older Regional Development Grants relating to fixed assets are included in deferred income and released to trading profits over the expected useful lives of the particular assets to which they relate. Other more recent grants, also relating to fixed assets, are treated as reducing the cost of the assets to which they relate and depreciation is reduced accordingly.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling at the balance sheet date or if appropriate at the forward exchange contract rate.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	30.4.15	30.4.14
	£	£
United Kingdom	9,437,648	9,203,498
Others	68,454	94,260
	<u>9,506,102</u>	<u>9,297,758</u>

3. STAFF COSTS

	30.4.15	30.4.14
	£	£
Wages and salaries	1,882,333	1,654,506
Social security costs	115,793	113,564
Other pension costs	50,000	30,000
	<u>2,048,126</u>	<u>1,798,070</u>

The average monthly number of employees during the year was as follows:

	30.4.15	30.4.14
Manufacturing	77	75
Sales	7	3
Administration and support	10	15
	<u>94</u>	<u>93</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	30.4.15	30.4.14
	£	£
Hire and maintenance of plant & machinery	9,379	16,049
Other operating leases	45	5,218
Depreciation - owned assets	39,835	32,052
Depreciation - assets on hire purchase contracts	8,620	8,142
Profit on disposal of fixed assets	(1,724)	-
Auditors' remuneration	14,997	18,418
Foreign exchange differences	(11,121)	350
Government grants	(925)	(925)
	<u>203,300</u>	<u>202,230</u>
Directors' remuneration	50,000	30,000
Directors' pension contributions to money purchase schemes	<u>50,000</u>	<u>30,000</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	2	2
	<u>2</u>	<u>2</u>

Information regarding the highest paid director is as follows:

	30.4.15	30.4.14
	£	£
Emoluments etc	99,472	98,233
Pension contributions to money purchase schemes	35,000	15,000
	<u>134,472</u>	<u>113,233</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	30.4.15	30.4.14
	£	£
Bank interest	5,487	8,375
Other interest	1,081	1,365
Mortgage	1,391	-
	<u>7,959</u>	<u>9,740</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	30.4.15	30.4.14
	£	£
Current tax:		
UK corporation tax	-	26,363
Deferred tax	1,400	4,329
Tax on profit on ordinary activities	<u>1,400</u>	<u>30,692</u>

UK corporation tax has been charged at 20% (2014 - 20%).

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

6. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.4.15	30.4.14
	£	£
Profit on ordinary activities before tax	289,646	157,336
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 23%)	60,826	36,187
Effects of:		
Small profits relief	(2,896)	(3,954)
Accelerated capital allowances	(12,183)	(4,818)
Business Premises Renovation Allowance	(58,416)	-
Other adjustments	12,669	(1,052)
Current tax charge	-	26,363

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 May 2014	188,277	932,081	14,399	1,134,757
Additions	644,867	92,614	10,989	748,470
Disposals	-	(250)	(10,150)	(10,400)
At 30 April 2015	833,144	1,024,445	15,238	1,872,827
DEPRECIATION				
At 1 May 2014	115,477	799,135	8,641	923,253
Charge for year	2,604	43,262	2,589	48,455
Eliminated on disposal	-	(250)	(6,544)	(6,794)
At 30 April 2015	118,081	842,147	4,686	964,914
NET BOOK VALUE				
At 30 April 2015	715,063	182,298	10,552	907,913
At 30 April 2014	72,800	132,946	5,758	211,504

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

7. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 May 2014	
and 30 April 2015	<u>43,060</u>
DEPRECIATION	
At 1 May 2014	22,206
Charge for year	<u>8,620</u>
At 30 April 2015	<u>30,826</u>
NET BOOK VALUE	
At 30 April 2015	<u>12,234</u>
At 30 April 2014	<u>20,854</u>

8. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 May 2014	
and 30 April 2015	<u>41,415</u>
NET BOOK VALUE	
At 30 April 2015	<u>41,415</u>
At 30 April 2014	<u>41,415</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

The Scott Feather Company Limited
Country of incorporation: United Kingdom
Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00		
		30.4.15	30.4.14
		£	£
Aggregate capital and reserves		<u>161,093</u>	<u>161,093</u>

9. STOCKS

	30.4.15	30.4.14
	£	£
Goods for resale	35,589	30,000
Raw materials	<u>1,218,494</u>	<u>1,268,099</u>
	<u>1,254,083</u>	<u>1,298,099</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

10. DEBTORS

	30.4.15	30.4.14
	£	£
Amounts falling due within one year:		
Trade debtors	1,852,451	1,620,879
Other debtors	109,400	20,346
Directors' loan accounts	12,000	12,000
	<u>1,973,851</u>	<u>1,653,225</u>
Amounts falling due after more than one year:		
Directors loan MRS	1,168	13,168
Directors loan FGS	75,759	77,608
Tax recoverable	29,204	33,448
	<u>106,131</u>	<u>124,224</u>
Aggregate amounts	<u>2,079,982</u>	<u>1,777,449</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.15	30.4.14
	£	£
Bank loans and overdrafts (see note 13)	198,846	219,761
Hire purchase contracts (see note 14)	4,894	4,523
Trade creditors	1,435,623	865,460
Tax	-	26,363
Social security and other taxes	42,728	38,746
VAT	100,681	123,535
Other creditors	24,296	20,160
Directors' loan accounts	53,152	58,379
Accruals & deferred income	289,971	343,570
Deferred government grants	925	925
	<u>2,151,116</u>	<u>1,701,422</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.4.15	30.4.14
	£	£
Bank loans (see note 13)	334,054	-
Other loans (see note 13)	12,034	12,034
Hire purchase contracts (see note 14)	7,312	12,207
Trade creditors	3,995	3,995
Amounts owed to group undertakings	161,093	161,093
Deferred government grants	3,700	3,700
	<u>522,188</u>	<u>193,029</u>

The medium term loan is from the executors of T S Smith a former director. This loan is unsecured, interest free and without fixed repayment dates.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

13. LOANS

An analysis of the maturity of loans is given below:

	30.4.15	30.4.14
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	219,761
Bank loans	198,846	-
	<u>198,846</u>	<u>219,761</u>
 Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>80,341</u>	<u>-</u>
 Amounts falling due between two and five years:		
Long term loan	<u>103,556</u>	<u>-</u>
 Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Medium Term Loans	<u>12,034</u>	<u>12,034</u>
 Repayable by instalments		
Bank loans over 5 years by instalments	<u>150,157</u>	<u>-</u>

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	30.4.15	30.4.14
	£	£
Gross obligations repayable:		
Within one year	5,604	5,604
Between one and five years	7,760	13,364
	<u>13,364</u>	<u>18,968</u>
 Finance charges repayable:		
Within one year	710	1,081
Between one and five years	448	1,157
	<u>1,158</u>	<u>2,238</u>
 Net obligations repayable:		
Within one year	4,894	4,523
Between one and five years	7,312	12,207
	<u>12,206</u>	<u>16,730</u>

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2015**

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	30.4.15	30.4.14	30.4.15	30.4.14
	£	£	£	£
Expiring:				
Within one year	-	16,008	13,632	1,305
Between one and five years	-	-	54,074	-
	<u>-</u>	<u>16,008</u>	<u>67,706</u>	<u>1,305</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	30.4.15	30.4.14
	£	£
Bank overdraft	-	219,761
Bank loans	532,900	-
	<u>532,900</u>	<u>219,761</u>

The bank borrowing facility is secured by a fixed charge over the freehold property, a fixed charge over the company's debt and a floating charge over all other assets.

16. PROVISIONS FOR LIABILITIES

	30.4.15	30.4.14
	£	£
Deferred tax	<u>23,400</u>	<u>22,000</u>
		Deferred tax
		£
Balance at 1 May 2014		22,000
Provided during year		1,400
Accelerated capital allowances		-
Balance at 30 April 2015		<u>23,400</u>

17. ACCRUALS AND DEFERRED INCOME

	30.4.15	30.4.14
	£	£
Deferred government grants	<u>7,085</u>	<u>8,010</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.4.15	30.4.14
			£	£
5,000	Ordinary	£1	<u>5,000</u>	<u>5,000</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

19. RESERVES

	Profit and loss account £
At 1 May 2014	1,505,883
Profit for the year	288,246
	<hr/>
At 30 April 2015	<u>1,794,129</u>

20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for two of its directors. 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 and amounted to £50,000 (2014 £30,000). No premiums were unpaid at the balance sheet date.

21. CONTINGENT LIABILITIES

The company has entered into various fixed rate forward currency purchase contracts amounting to US\$1,047,801 and Chinese ¥8,545,014 (2014: \$2,791,288).

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 April 2015 and 30 April 2014:

	30.4.15 £	30.4.14 £
F.G. Smith		
Balance outstanding at start of year	77,608	79,647
Amounts repaid	(1,849)	(2,039)
Balance outstanding at end of year	<u>75,759</u>	<u>77,608</u>
 M.R. Smith		
Balance outstanding at start of year	25,168	37,168
Amounts repaid	(12,000)	(12,000)
Balance outstanding at end of year	<u>13,168</u>	<u>25,168</u>

The loans to directors are interest free, unsecured and without formal repayment terms.

23. RELATED PARTY DISCLOSURES

The Scott Feather Company Limited
Subsidiary Company

	30.4.15 £	30.4.14 £
Amount due to related party at the balance sheet date	<u>161,093</u>	<u>161,093</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

23. RELATED PARTY DISCLOSURES - continued

G.R. Smith
 Director

	30.4.15	30.4.14
	£	£
Amount due to related party at the balance sheet date	<u>53,473</u>	<u>58,379</u>

Marchioness Limited
 Mr G R Smith & Mr G O Smith both have a material interest

	30.4.15	30.4.14
	£	£
Amount due to related party at the balance sheet date	<u>3,995</u>	<u>3,995</u>

Executor's of T S Smith & Mr GJB Smith
 Close relationship to G Smith

	30.4.15	30.4.14
	£	£
Amount due to related party at the balance sheet date	<u>12,034</u>	<u>12,034</u>

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of directors.

25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.4.15	30.4.14
	£	£
Profit for the financial year	<u>288,246</u>	<u>126,644</u>
Net addition to shareholders' funds	<u>288,246</u>	<u>126,644</u>
Opening shareholders' funds	<u>1,510,883</u>	<u>1,384,239</u>
Closing shareholders' funds	<u>1,799,129</u>	<u>1,510,883</u>