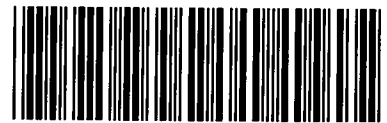


**Strategic Report, Report of the Directors and**  
**Financial Statements for the Year Ended 30 April 2014**  
**for**  
**The Downland Bedding Company Limited**

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**for the Year Ended 30 April 2014**

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**The Downland Bedding Company Limited**

**Company Information**  
**for the Year Ended 30 April 2014**

**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

**Strategic Report**  
**for the Year Ended 30 April 2014**

The directors present their strategic report for the year ended 30 April 2014.

**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 12.5% though overall margins fell by 0.8% due to a higher proportion of lower margin sales.

This is in line with the directors' expectations, with operating profits decreasing to £166,603 in 2014 from £225,795 in 2013.

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.

**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. 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

Date: 08/12/2014

**Report of the Directors**  
**for the Year Ended 30 April 2014**

The directors present their report with the financial statements of the company for the year ended 30 April 2014.

**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 2014.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 May 2013 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.

Report of the Directors  
for the Year Ended 30 April 2014

**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

Date: 08/12/2014 .....

**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 2014 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 2014 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.

**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

Date: **- 9 DEC 2014**

**The Downland Bedding Company Limited (Registered number: 00419883)**

**Profit and Loss Account**  
**for the Year Ended 30 April 2014**

	Notes	30.4.14 £	30.4.13 £
<b>TURNOVER</b>	2	9,297,758	8,268,327
Cost of sales		<u>(7,421,787)</u>	<u>(6,699,220)</u>
<b>GROSS PROFIT</b>		<b>1,875,971</b>	<b>1,569,107</b>
Distribution costs		(703,881)	(564,226)
Administrative expenses		<u>(1,006,412)</u>	<u>(780,011)</u>
		<b>165,678</b>	<b>224,870</b>
Other operating income		<u>925</u>	<u>925</u>
<b>OPERATING PROFIT</b>	4	<b>166,603</b>	<b>225,795</b>
Interest receivable and similar income		<u>473</u>	<u>486</u>
		<b>167,076</b>	<b>226,281</b>
Interest payable and similar charges	5	<u>(9,740)</u>	<u>(8,424)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>157,336</b>	<b>217,857</b>
Tax on profit on ordinary activities	6	<u>(30,692)</u>	<u>(47,914)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>126,644</u></b>	<b><u>169,943</u></b>

**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.



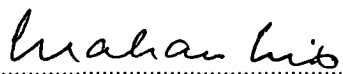
**The Downland Bedding Company Limited (Registered number: 00419883)**

**Balance Sheet**

**30 April 2014**

	Notes	30.4.14 £	30.4.13 £
<b>FIXED ASSETS</b>			
Tangible assets	7	211,504	196,627
Investments	8	41,415	41,415
		<u>252,919</u>	<u>238,042</u>
<b>CURRENT ASSETS</b>			
Stocks	9	1,298,099	1,082,707
Debtors	10	1,777,449	1,958,977
Cash at bank and in hand		106,877	82,527
		<u>3,182,425</u>	<u>3,124,211</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	(1,701,422)	(1,762,198)
<b>NET CURRENT ASSETS</b>		<u>1,481,003</u>	<u>1,362,013</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,733,922</u>	<u>1,600,055</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	(193,029)	(189,210)
<b>PROVISIONS FOR LIABILITIES</b>	16	(22,000)	(17,671)
<b>ACCRUALS AND DEFERRED INCOME</b>	17	(8,010)	(8,935)
<b>NET ASSETS</b>		<u><u>1,510,883</u></u>	<u><u>1,384,239</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	5,000	5,000
Profit and loss account	19	1,505,883	1,379,239
<b>SHAREHOLDERS' FUNDS</b>	26	<u><u>1,510,883</u></u>	<u><u>1,384,239</u></u>

The financial statements were approved by the Board of Directors on 08/12/2014 and were signed on its behalf by:



G.R. Smith - Director

The notes form part of these financial statements

**Cash Flow Statement**  
**for the Year Ended 30 April 2014**

	Notes	30.4.14 £	30.4.13 £
Net cash inflow from operating activities	1	255,331	142,671
Returns on investments and servicing of finance	2	(9,267)	(7,938)
Taxation		(32,843)	(3,517)
Capital expenditure	2	(55,071)	(72,954)
		158,150	58,262
Financing	2	11,759	6,900
Increase in cash in the period		169,909	65,162
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		169,909	65,162
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		(4,035)	8,871
Change in net debt resulting from cash flows		165,874	74,033
Movement in net debt in the period		165,874	74,033
Net debt at 1 May		(307,522)	(381,555)
Net debt at 30 April		(141,648)	(307,522)

**Notes to the Cash Flow Statement**  
**for the Year Ended 30 April 2014**

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

	30.4.14 £	30.4.13 £
Operating profit	166,603	225,795
Depreciation charges	40,194	29,829
(Increase)/decrease in stocks	(215,392)	237,554
Decrease/(increase) in debtors	161,489	(448,899)
Increase in creditors	102,437	98,392
<b>Net cash inflow from operating activities</b>	<b>255,331</b>	<b>142,671</b>

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

	30.4.14 £	30.4.13 £
<b>Returns on investments and servicing of finance</b>		
Interest received	473	486
Interest paid	(9,740)	(8,424)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(9,267)</b>	<b>(7,938)</b>
 <b>Capital expenditure</b>		
Purchase of tangible fixed assets	(55,071)	(72,954)
<b>Net cash outflow for capital expenditure</b>	<b>(55,071)</b>	<b>(72,954)</b>
 <b>Financing</b>		
Capital repayments in year	4,035	(8,871)
Amount introduced by directors	32,429	35,196
Amount withdrawn by directors	(24,705)	(19,425)
<b>Net cash inflow from financing</b>	<b>11,759</b>	<b>6,900</b>

**Notes to the Cash Flow Statement**  
**for the Year Ended 30 April 2014**

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.5.13 £	Cash flow £	At 30.4.14 £
Net cash:			
Cash at bank and in hand	82,527	24,350	106,877
Bank overdraft	(365,320)	145,559	(219,761)
	<u>(282,793)</u>	<u>169,909</u>	<u>(112,884)</u>
Debt:			
Hire purchase	(12,695)	(4,035)	(16,730)
Debts falling due after one year	(12,034)	-	(12,034)
	<u>(24,729)</u>	<u>(4,035)</u>	<u>(28,764)</u>
Total	<u>(307,522)</u>	<u>165,874</u>	<u>(141,648)</u>

**Notes to the Financial Statements**  
**for the Year Ended 30 April 2014**

**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.

**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.

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2014**

**1. ACCOUNTING POLICIES - continued**

**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:

	30.4.14	30.4.13
	£	£
United Kingdom	9,203,498	8,137,401
Others	94,260	130,926
	<u>9,297,758</u>	<u>8,268,327</u>

**3. STAFF COSTS**

	30.4.14	30.4.13
	£	£
Wages and salaries	1,654,506	1,401,452
Social security costs	113,564	97,744
Other pension costs	30,000	30,000
	<u>1,798,070</u>	<u>1,529,196</u>

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

	30.4.14	30.4.13
Manufacturing	75	65
Sales	3	4
Administration and support	15	14
	<u>93</u>	<u>83</u>

**4. OPERATING PROFIT**

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

	30.4.14	30.4.13
	£	£
Hire and maintenance of plant & machinery	16,049	11,720
Other operating leases	5,218	5,218
Depreciation - owned assets	32,052	23,138
Depreciation - assets on hire purchase contracts	8,142	6,684
Auditors' remuneration	18,418	17,360
Foreign exchange differences	350	(1,090)
Government grants	(925)	(925)
	<u></u>	<u></u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2014**

**4. OPERATING PROFIT - continued**

Directors' remuneration	<b>202,230</b>	202,413
Directors' pension contributions to money purchase schemes	<b>30,000</b>	30,000
	<u><u>          </u></u>	<u><u>          </u></u>

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

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

Information regarding the highest paid director is as follows:

	<b>30.4.14</b>	30.4.13
	£	£
Emoluments etc	<b>98,233</b>	98,462
Pension contributions to money purchase schemes	<b>15,000</b>	15,000
	<u><u>          </u></u>	<u><u>          </u></u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>30.4.14</b>	30.4.13
	£	£
Bank interest	<b>8,375</b>	6,959
Other interest	<b>1,365</b>	1,465
	<u><u>          </u></u>	<u><u>          </u></u>
	<b>9,740</b>	8,424
	<u><u>          </u></u>	<u><u>          </u></u>

**6. TAXATION**

**Analysis of the tax charge**

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

	<b>30.4.14</b>	30.4.13
	£	£
Current tax:		
UK corporation tax	<b>26,363</b>	38,843
Deferred tax	<b>4,329</b>	9,071
	<u><u>          </u></u>	<u><u>          </u></u>
Tax on profit on ordinary activities	<b>30,692</b>	47,914
	<u><u>          </u></u>	<u><u>          </u></u>

UK corporation tax has been charged at 20% (2013 - 20%).

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2014**

**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:

	30.4.14 £	30.4.13 £
Profit on ordinary activities before tax	<u>157,336</u>	<u>217,857</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 24%)	36,187	52,286
Effects of:		
Small profits relief	(3,954)	(7,769)
Accelerated capital allowances	(4,818)	(9,684)
Other adjustments	(1,052)	4,010
Current tax charge	<u>26,363</u>	<u>38,843</u>

**7. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 May 2013	188,277	877,010	14,399	1,079,686
Additions	-	55,071	-	55,071
At 30 April 2014	<u>188,277</u>	<u>932,081</u>	<u>14,399</u>	<u>1,134,757</u>
<b>DEPRECIATION</b>				
At 1 May 2013	112,873	764,077	6,109	883,059
Charge for year	2,604	35,058	2,532	40,194
At 30 April 2014	<u>115,477</u>	<u>799,135</u>	<u>8,641</u>	<u>923,253</u>
<b>NET BOOK VALUE</b>				
At 30 April 2014	<u>72,800</u>	<u>132,946</u>	<u>5,758</u>	<u>211,504</u>
At 30 April 2013	<u>75,404</u>	<u>112,933</u>	<u>8,290</u>	<u>196,627</u>



**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2014**

**7. TANGIBLE FIXED ASSETS - continued**

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

	Plant and machinery £
<b>COST</b>	
At 1 May 2013	33,360
Additions	9,700
	<u>43,060</u>
At 30 April 2014	<u>43,060</u>
<b>DEPRECIATION</b>	
At 1 May 2013	14,064
Charge for year	8,142
	<u>22,206</u>
At 30 April 2014	<u>22,206</u>
<b>NET BOOK VALUE</b>	
At 30 April 2014	<u>20,854</u>
At 30 April 2013	<u>19,296</u>

**8. FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST</b>	
At 1 May 2013 and 30 April 2014	41,415
<b>NET BOOK VALUE</b>	
At 30 April 2014	41,415
At 30 April 2013	41,415

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

	%		
Class of shares:	holding		
Ordinary	100.00	30.4.14	30.4.13
		£	£
Aggregate capital and reserves		<u>161,093</u>	<u>161,093</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2014**

**9. STOCKS**

	30.4.14	30.4.13
	£	£
Goods for resale	30,000	10,000
Raw materials	1,268,099	1,072,707
	<u>1,298,099</u>	<u>1,082,707</u>

**10. DEBTORS**

	30.4.14	30.4.13
	£	£
Amounts falling due within one year:		
Trade debtors	1,620,879	1,720,754
Other debtors	20,346	81,960
Directors' loan accounts	12,000	12,000
	<u>1,653,225</u>	<u>1,814,714</u>

Amounts falling due after more than one year:

Directors loan MRS	13,168	25,168
Directors loan FGS	77,608	79,647
Tax recoverable	33,448	39,448
	<u>124,224</u>	<u>144,263</u>

Aggregate amounts

	<u>1,777,449</u>	<u>1,958,977</u>
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**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.4.14	30.4.13
	£	£
Bank loans and overdrafts (see note 13)	219,761	365,320
Hire purchase contracts (see note 14)	4,523	4,307
Trade creditors	865,460	849,774
Tax	26,363	38,843
Social security and other taxes	38,746	35,412
VAT	123,535	167,126
Other creditors	20,160	19,550
Directors' loan accounts	58,379	64,694
Accruals & deferred income	343,570	216,247
Deferred government grants	925	925
	<u>1,701,422</u>	<u>1,762,198</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2014**

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

	30.4.14	30.4.13
	£	£
Other loans (see note 13)	12,034	12,034
Hire purchase contracts (see note 14)	12,207	8,388
Trade creditors	3,995	3,995
Amounts owed to group undertakings	161,093	161,093
Deferred government grants	3,700	3,700
	<u>193,029</u>	<u>189,210</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.

**13. LOANS**

An analysis of the maturity of loans is given below:

	30.4.14	30.4.13
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>219,761</u>	<u>365,320</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>

**14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

	Hire purchase contracts	
	30.4.14	30.4.13
	£	£
Gross obligations repayable:		
Within one year	5,604	5,099
Between one and five years	13,364	9,310
	<u>18,968</u>	<u>14,409</u>
Finance charges repayable:		
Within one year	1,081	792
Between one and five years	1,157	922
	<u>2,238</u>	<u>1,714</u>
Net obligations repayable:		
Within one year	4,523	4,307
Between one and five years	12,207	8,388
	<u>16,730</u>	<u>12,695</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2014**

**14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

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

	<b>Land and buildings</b>		<b>Other operating leases</b>	
	<b>30.4.14</b>	<b>30.4.13</b>	<b>30.4.14</b>	<b>30.4.13</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expiring:				
Within one year	16,008	9,338	1,305	-
Between one and five years	-	-	-	5,220
	<u>16,008</u>	<u>9,338</u>	<u>1,305</u>	<u>5,220</u>

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>30.4.14</b>	<b>30.4.13</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	<u>219,761</u>	<u>365,320</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**

	<b>30.4.14</b>	<b>30.4.13</b>
	<b>£</b>	<b>£</b>
Deferred tax	<u>22,000</u>	<u>17,671</u>
		<b>Deferred tax</b>
		<b>£</b>
Balance at 1 May 2013		17,671
Accelerated capital allowances		<u>4,329</u>
Balance at 30 April 2014		<u>22,000</u>

**17. ACCRUALS AND DEFERRED INCOME**

	<b>30.4.14</b>	<b>30.4.13</b>
	<b>£</b>	<b>£</b>
Deferred government grants	<u>8,010</u>	<u>8,935</u>

**18. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			<b>30.4.14</b>	<b>30.4.13</b>
Number:	Class:	Nominal value:	<b>£</b>	<b>£</b>
5,000	Ordinary	£1	<u>5,000</u>	<u>5,000</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2014**

**19. RESERVES**

	Profit and loss account £
At 1 May 2013	1,379,239
Profit for the year	126,644
	<hr/>
At 30 April 2014	<u>1,505,883</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 £30,000 (2013 £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\$2,791,288. (2013: \$767,544).

**22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 30 April 2014 and 30 April 2013:

	30.4.14 £	30.4.13 £
<b>F.G. Smith</b>		
Balance outstanding at start of year	79,647	84,623
Amounts advanced	-	220
Amounts repaid	(2,039)	(5,196)
Balance outstanding at end of year	<u>77,608</u>	<u>79,647</u>
 <b>M.R. Smith</b>		
Balance outstanding at start of year	37,168	49,168
Amounts repaid	(12,000)	(12,000)
Balance outstanding at end of year	<u>25,168</u>	<u>37,168</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

	30.4.14 £	30.4.13 £
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 2014**

**23. RELATED PARTY DISCLOSURES - continued**

**G.R. Smith**  
 Director

	<b>30.4.14</b>	<b>30.4.13</b>
	<b>£</b>	<b>£</b>
Amount due to related party at the balance sheet date	<b><u>58,379</u></b>	<b><u>64,694</u></b>

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

	<b>30.4.14</b>	<b>30.4.13</b>
	<b>£</b>	<b>£</b>
Amount due to related party at the balance sheet date	<b><u>3,995</u></b>	<b><u>3,995</u></b>

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

	<b>30.4.14</b>	<b>30.4.13</b>
	<b>£</b>	<b>£</b>
Amount due to related party at the balance sheet date	<b><u>12,034</u></b>	<b><u>12,034</u></b>

**24. POST BALANCE SHEET EVENTS**

During November 2014, the company has purchased a freehold property adjacent to the current premises of 23 Blackstock Street at a cost of £350,000.

**25. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is the board of directors.

**26. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>30.4.14</b>	<b>30.4.13</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b><u>126,644</u></b>	<b><u>169,943</u></b>
Net addition to shareholders' funds	<b><u>126,644</u></b>	<b><u>169,943</u></b>
Opening shareholders' funds	<b><u>1,384,239</u></b>	<b><u>1,214,296</u></b>
Closing shareholders' funds	<b><u>1,510,883</u></b>	<b><u>1,384,239</u></b>