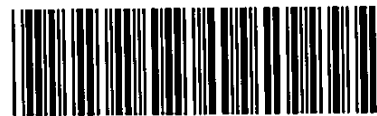


Beaconsfield Footwear Limited

Report and Financial Statements

29 January 2012

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COMPANIES HOUSE

Beaconsfield Footwear Limited

Directors

S J Houlgrave

P N Davis

J R Andersen

P N Taylor (appointed 16/05/2012)

Secretary

P N Davis

Auditors

Ernst & Young LLP

20 Chapel Street

Liverpool

L3 9AG

Bankers

HSBC

4 Dale Street

Liverpool L69 2BZ

Solicitors

DLA Piper UK LLP

101 Barbirolli Square

Bridgewater

Manchester M2 3DL

Registered Office

2 Peel Road

West Pimbo

Skelmersdale

Lancashire WN8 9PT

Registered No 641365

Directors' report

The directors present their report and financial statements for the year ended 29 January 2012.

Results and dividends

The group profit for the year after taxation amounted to £4,384,000 (2011 – profit of £6,532,000) The directors declared, approved and paid a final dividend of £5,500,000 (2011 – £6,250,000)

Principal activity and review of the business

The directors are satisfied with the continuing performance and growth of the business and intend to pursue appropriate strategic policies to ensure the continuation of the growth trend

During the course of the year the group continued to manufacture and merchandise a wide variety of footwear Turnover increased by 20.84% in the year

The increase in turnover is attributable to the expansion of retail stores as well as further growth in Mail Order and E-Commerce channels both domestically and internationally

At the year end the group had shareholders' funds of £18,991,000 (2011 – £20,107,000) including distributable reserves of £18,949,000 (2011 – £20,065,000)

On 26 October 2012 the claim brought by a former shareholder and director of Beaconsfield Footwear Limited against Stewart Houlgrave and Beaconsfield Footwear Limited was compromised without admission of liability in full and final settlement on terms that limit the exposure of Beaconsfield Footwear Limited and its actual and potential liability to the claimant and the co-defendant Beaconsfield Footwear Limited is obliged to keep the precise terms of the agreement confidential save as required by law

Key performance indicators

The directors monitor the following key performance indicators for the group on a monthly basis and at the year end they were as follows

	2012 £000	2011 £000
Turnover	68,970	57,076
Operating profit	5,520	7,765
Cash	5,689	6,092
Net assets	18,991	20,107

Principal risks and uncertainties – financial instruments

The directors have assessed the main risk facing the company as being the progressive fashion advances related to the industry The main competitive advantage can be gained from continual mould design and development for new footwear ranges periodically through the year, and widening product appeal to attract a slightly younger customer

The directors try to mitigate these risks by employing a team of dedicated design specialists who continually update footwear ranges These ranges are adopted for forthcoming seasonal catalogues and brochures

Directors' report (continued)

The group finances its operations through the use of various financial instruments including cash and various other items such as trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations. The company buys goods in currencies other than sterling. As a result, the value of the company's non-sterling purchases and financial liabilities can be affected by movements in exchange rates. Exposure to credit risk and liquidity risk are not considered to be material to the assessment of assets, liabilities and profit of the company.

Directors

The directors who served the company during the year were as follows

S Houlgrave
P N Davis
J R Andersen

A further director, P N Taylor, was appointed on 16/05/2012. This occurred after the balance sheet date.

Disabled employees

The group and company give full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

During the year, the policy of providing employees with information about the group and company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the group and company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Payments to suppliers

It is the group and company's policy to make suppliers aware of the terms and conditions upon which the business will trade with them and to abide by those terms. The company had 31 days (2011 – 22 days) of purchases outstanding at the end of the financial year.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board



P N Davis
Secretary

31/10/2012

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 company and of the profit or loss of the group and company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 group and company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of Beaconsfield Footwear Limited

We have audited the financial statements of Beaconsfield Footwear Limited for the year ended 29 January 2012 which comprise the Group Profit and Loss Account, the Group Statement of Total Recognised Gains and Losses, the Group and Company Balance Sheets and the related notes 1 to 19. 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 Directors' Responsibilities Statement 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 the parent undertaking'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 Report and 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 the 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 undertaking's affairs as at 29 January 2012 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report (continued)

to the members of Beaconsfield Footwear 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 by the parent undertaking, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent undertaking 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



B Flynn (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
Liverpool
31/10/2012

Group profit and loss account

for the year ended 29 January 2012

	Notes	2012 £000	2011 £000
Turnover	2	68,970	57,076
Cost of sales		(24,862)	(20,131)
Gross profit		44,108	36,945
Distribution costs		(2,782)	(2,163)
Administrative expenses		(35,806)	(27,017)
Operating profit	3	5,520	7,765
Profit on disposal of fixed assets		13	2
Interest receivable and similar income		3	12
Interest payable and similar charges	6	(11)	(12)
Profit on ordinary activities before taxation		5,525	7,767
Tax	7	(1,141)	(1,235)
Profit for the financial year	15	4,384	6,532

All amounts relate to continuing activities

Group statement of total recognised gains and losses

for the year ended 29 January 2012

	2012 £000	2011 £000
Profit for the financial year	4,384	6,532
Currency translation differences on foreign currency net investments	–	(1)
Total recognised gains and losses relating to the year	4,384	6,531

Group balance sheet

at 29 January 2012

	Notes	2012 £000	2011 £000
Fixed assets			
Tangible assets	9	6,038	4,324
Current assets			
Stocks	11	10,588	8,948
Debtors	12	8,400	9,567
Cash at bank and in hand		5,689	6,092
		24,677	24,607
Creditors amounts falling due within one year	13	(11,724)	(8,824)
Net current assets		12,953	15,783
Total assets less current liabilities		18,991	20,107
Net assets		18,991	20,107
Capital and reserves			
Called up share capital	15	42	42
Profit and loss account	16	18,949	20,065
Shareholders' funds	16	18,991	20,107

The accounts have been approved by the Board on the below date and signed on its behalf by.




P N Davis
Director
31/10/2012

Company balance sheet

at 29 January 2012

	Notes	2012 £000	2011 £000
Fixed assets			
Tangible assets	9	6,038	4,324
		<u>6,038</u>	<u>4,324</u>
Current assets			
Stocks	11	10,588	8,948
Debtors	12	8,400	9,567
Cash at bank and in hand		5,689	6,092
		<u>24,677</u>	<u>24,607</u>
Creditors: amounts falling due within one year	13	<u>(11,721)</u>	<u>(8,821)</u>
Net current assets		<u>12,956</u>	<u>15,786</u>
Total assets less current liabilities		<u>18,994</u>	<u>20,110</u>
Net assets		<u>18,994</u>	<u>20,110</u>
Capital and reserves			
Called up share capital	15	42	42
Profit and loss account	16	18,952	20,068
Shareholders' funds	16	<u>18,994</u>	<u>20,110</u>

The accounts have been approved by the Board on the below date and signed on its behalf by:



P N Davis
Director
31/10/2012

Notes to the financial statements

at 29 January 2012

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

Group financial statements

The group profit and loss account and balance sheet include the financial statements of the company and all of its subsidiary undertakings made up to the balance sheet date. The results of subsidiary undertakings are included in the group financial statements from their effective date of acquisition.

Statement of cash flows

The company has taken advantage of the exemption in FRS 1 from the requirement to produce a statement of cash flows on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax, from the sale of footwear.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows:

Plant and machinery, and fixtures and fittings	–	10 to 33.3% straight line
Motor vehicles	–	25% straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investments

Fixed asset investments are recorded at cost, less amounts written off.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are valued at the lower cost and net realisable value, after making due allowance for obsolete and slow moving items. The cost of stocks comprises all costs of purchase, costs of conversion and other costs incurred in bringing stocks to their present location and condition.

Notes to the financial statements

at 29 January 2012

1. Accounting policies (continued)

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

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

The profit and loss accounts and balance sheets of overseas subsidiary undertakings are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange adjustments arising from the translation of opening balance sheets are taken to reserves.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal levels of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Leasing and hire purchase commitments

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease. Lease incentives are recognised over the shorter of the lease term and the date of the next rent review.

Pensions

The company contributes to a number of defined contribution personal and self administered pension schemes for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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 company after deducting all of its liabilities.

Notes to the financial statements

at 29 January 2012

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and is attributable to one continuing activity, as stated in the directors' report

An analysis of turnover by geographical market is given below

	2012 £000	2011 £000
United Kingdom	64,819	55,714
Rest of World	4,151	1,362
	<u>68,970</u>	<u>57,076</u>

3. Operating profit

This is stated after charging

	2012 £000	2011 £000
Fees payable to the company's auditor for the audit of the company's financial statements	36	35
Fees payable to the company's auditor and its associates for other services		
– tax services	13	37
– other services	25	3
Depreciation and amortisation		
– of owned tangible fixed assets	1,845	1,403
– of tangible fixed assets held under hire purchase	11	57
Operating lease rentals		
– land and buildings	2,049	931
Social security costs and related interest	–	757
Costs, expenses and other payments associated with the legal claim and its subsequent settlement as described in the Directors' Report	<u>1,949</u>	<u>–</u>

The company is exempt from the requirement to present its own profit and loss account under the provisions of section 408 of the Companies Act 2006. The company's own profit for the year was £5,967,000 (2011 – £6,479,000)

Social security costs relate to an assessment of National Insurance contributions, and are included in the amount disclosed in note 5

Notes to the financial statements

at 29 January 2012

4. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2012 £000	2011 £000
Remuneration	533	491
Value of company pension contributions to money purchase schemes	59	35
	<u>592</u>	<u>526</u>
Remuneration of the highest paid director	<u>284</u>	<u>276</u>

The number of directors who accrued benefits under personal pension schemes was as follows

	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

The highest paid director received emoluments of £284,000 (2011 – £276,000) and £nil (2011 – £nil) in respect of pension scheme contributions

5. Staff costs

	2012 £000	2011 £000
Wages and salaries	11,175	8,829
Social security costs	878	1,505
Other pension costs	84	87
	<u>12,137</u>	<u>10,421</u>

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

	No	No
Production and management	<u>588</u>	<u>433</u>

The company contributed into a number of personal and group defined contribution schemes for the benefit of employees. The total contributions paid in the year amounted to £84,000 (2011 – £87,000) At 29 January 2012 there were unpaid contributions of £5,000 (2011 – £3,000)

Notes to the financial statements

at 29 January 2012

6. Interest payable and similar charges

	2012 £000	2011 £000
Bank loans and overdrafts	4	—
Other interest payable	6	—
Hire purchase and finance lease charges	1	12
	<u>11</u>	<u>12</u>

7. Tax

(a) Tax on the profit on ordinary activities

The tax charge is made up as follows

	2012 £000	2011 £000
Current tax		
UK corporation tax on the profit for the year	1,085	1,300
Adjustments in respect of previous years	85	(43)
Total current tax (note 8(b))	<u>1,170</u>	<u>1,257</u>
Deferred tax.		
Origination and reversal of timing differences (note 8(c))	(55)	(44)
Adjustments in respect of previous years	26	22
Tax on profit on ordinary activities	<u>1,141</u>	<u>1,235</u>

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 26% (2011 – 28%) The differences are explained below

	2012 £000	2011 £000
Profit on ordinary activities before tax	<u>5,525</u>	<u>7,767</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.3% at effective rate (2011 – 28%)	1,453	2,175
Effects of		
Expenses not deductible for tax purposes	549	82
Interest imputed	56	—
Capital allowances in advance of depreciation	47	44
Group tax relief	(1,016)	(1,002)
Movements in general provisions	(5)	1
Rate change adjustment	1	—
Adjustments to tax charge in respect of previous years	85	(43)
Current tax for the year (note 7(a))	<u>1,170</u>	<u>1,257</u>

Notes to the financial statements

at 29 January 2012

Tax (continued)

(c) Deferred tax

The deferred tax included in the balance sheet of the group and company is as follows:

	<i>Group</i>		<i>Company</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Included in debtors (note 11)	46	17	46	17

The movement in the deferred taxation account during the year was

	<i>Group</i>		<i>Company</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 31 January 2011	17	(5)	17	48
Profit and loss account movement	55	44	55	44
Adjustments in respect of previous years	(26)	(22)	(26)	(75)
At 29 January 2012	46	17	46	17

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	<i>Group</i>		<i>Company</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Excess of taxation allowances over depreciation on fixed assets	44	8	44	8
Other timing differences	2	9	2	9
	46	17	46	17

(d) Factors that may affect the future tax charges

The future tax charge will be affected by the movement in the deferred tax liability (note 7(c))

Notes to the financial statements

at 29 January 2012

8. Tangible fixed assets

<i>Group</i>	<i>Fixtures and fittings £000</i>	<i>Motor vehicles £000</i>	<i>Plant and machinery £000</i>	<i>Total £000</i>
Cost or valuation				
At 31 January 2011	5,422	280	5,421	11,123
Additions	2,651	110	835	3,596
Disposals	–	(57)	(21)	(78)
At 29 January 2012	8,073	333	6,235	14,641
Depreciation				
At 31 January 2011	2,619	171	4,009	6,799
Provided during the year	1,139	83	634	1,856
Disposals	–	(52)	–	(52)
At 29 January 2012	3,758	202	4,643	8,603
Net book value				
At 29 January 2012	4,315	131	1,592	6,038
At 31 January 2011	2,803	109	1,412	4,324
<i>Company</i>	<i>Fixtures and fittings £000</i>	<i>Motor vehicles £000</i>	<i>Plant and machinery £000</i>	<i>Total £000</i>
Cost or valuation				
At 31 January 2011	5,400	282	5,415	11,097
Additions	2,651	110	835	3,596
Disposals	–	(57)	(21)	(78)
At 29 January 2012	8,051	335	6,229	14,615
Depreciation				
At 31 January 2011	2,597	173	4,003	6,773
Provided during the year	1,139	83	634	1,856
Disposals	–	(52)	–	(52)
At 29 January 2012	3,736	204	4,637	8,577
Net book value				
At 29 January 2012	4,315	131	1,592	6,038
At 31 January 2011	2,803	109	1,412	4,324

Included within the net book value of £6,038,000 is £nil (2011 – £18,000) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £11,000 (2011 – £57,000).

Notes to the financial statements

at 29 January 2012

9. Investments

<i>Company</i>	<i>Subsidiary undertakings £000</i>
Cost	
At 31 January 2011 and 29 January 2012	<u>27</u>
Provision	
At 31 January 2011 and 29 January 2012	<u>27</u>
Net book value	
At 31 January 2011 and 29 January 2012	<u>—</u>

Principal fixed asset investments

<i>Name</i>	<i>Class of share</i>	<i>Proportion held</i>	<i>Country of incorporation</i>	<i>Nature of business</i>
Hotter Comfort Concept US Limited	Ordinary	100%	USA	Dormant
Comfort Concept Limited	Ordinary	100%	UK	Dormant

The company's voting rights in respect of the investments are held in the same proportion as the company's share of the ordinary share capital of each company

10. Stocks

	<i>2012 £000</i>	<i>Group 2011 £000</i>	<i>2012 £000</i>	<i>Company 2011 £000</i>
Raw materials	1,285	1,340	1,285	1,340
Work in progress	91	89	91	89
Finished goods	9,212	7,519	9,212	7,519
	<u>10,588</u>	<u>8,948</u>	<u>10,588</u>	<u>8,948</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material

Notes to the financial statements

at 29 January 2012

11. Debtors

	<i>Group</i>		<i>Company</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Trade debtors	1,316	859	1,316	859
Prepayments	685	686	685	686
Other debtors	341	140	341	140
Amounts owed by related undertaking	6,012	7,865	6,012	7,865
Corporation tax	—	—	—	—
Deferred taxation (note 7(c))	46	17	46	17
	<u>8,400</u>	<u>9,567</u>	<u>8,400</u>	<u>9,567</u>

12. Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Obligations under hire purchase contracts	—	6	—	6
Trade creditors	4,022	3,270	4,022	3,270
Corporation tax	615	637	615	637
Other taxes and social security	2,738	2,148	2,738	2,148
Accruals	4,349	2,763	4,346	2,760
	<u>11,724</u>	<u>8,824</u>	<u>11,721</u>	<u>8,821</u>

13. Obligations under finance leases and hire purchase contracts

	<i>Group and company</i>	
	<i>2012</i>	<i>2011</i>
	<i>£000</i>	<i>£000</i>
Amounts payable		
Within one year	<u>—</u>	<u>6</u>
	<u>—</u>	<u>6</u>

Hire purchase contracts are secured on the assets concerned

Notes to the financial statements

at 29 January 2012

14. Issued share capital

		2012		2011
<i>Allotted, called up and fully paid</i>	<i>No</i>	<i>£000</i>	<i>No</i>	<i>£000</i>
Ordinary shares of £1 each	42,000	<u>42</u>	42,000	<u>42</u>

15. Reconciliation of shareholders' funds and movements on reserves

<i>Group</i>	2012	2011
	<i>£000</i>	<i>£000</i>
Profit on ordinary activities for the year after taxation	4,384	6,532
Currency translation difference	–	(1)
Dividend	<u>(5,500)</u>	<u>(6,250)</u>
Net (decrease)/increase in shareholders' funds	(1,116)	281
Shareholders' funds at 31 January	<u>20,107</u>	<u>19,826</u>
Shareholders' funds at 29 January	<u>18,991</u>	<u>20,107</u>
<i>Company</i>	2012	2011
	<i>£000</i>	<i>£000</i>
Profit on ordinary activities for the year after taxation	4,384	6,479
Dividend	<u>(5,500)</u>	<u>(6,250)</u>
Net (decrease)/increase in shareholders' funds	(1,116)	229
Shareholders' funds at 31 January	<u>20,110</u>	<u>19,881</u>
Shareholders' funds at 29 January	<u>18,994</u>	<u>20,110</u>

<i>Group</i>	<i>Profit and loss account £000</i>
At 31 January 2011	20,065
Profit for the year	4,384
Dividend	<u>(5,500)</u>
At 29 January 2012	<u>18,949</u>

<i>Company</i>	<i>Profit and loss account £000</i>
At 31 January 2011	20,068
Profit for the year	4,384
Dividend	<u>(5,500)</u>
At 29 January 2012	<u>18,952</u>

Notes to the financial statements

at 29 January 2012

16. Other financial commitments

At 29 January 2012 the group had annual commitments under non-cancellable operating leases as set out below

	2012 £000	2011 £000
Leases of land and buildings which expire		
Within one year	508	141
In one to five years	1,603	678
Over five years	851	630
	<u>2,962</u>	<u>1,449</u>

Expiry date is taken to be the earlier of the lease expiry date and the date of break clause (if applicable) contained within the lease

17. Contingent liabilities

The assets of the company are pledged as security for the bank borrowings of the group by way of a fixed and floating charge

The company has entered into a bank cross guarantee with its ultimate parent undertaking and fellow subsidiaries. The guarantee amounts to £10,014,000 at 29 January 2012 (2011 – £11,334,000)

18. Related party transactions

During the year the Peel Road site was rented by Beaconsfield Footwear Limited from the Beaconsfield Footwear Limited Directors' Retirement and Death Benefit Scheme for £425,000 per annum under a 15 year agreement until September 2023

During the year, the company paid Gresham LLP £56,000 for the services of non-executive directors of the company. No balances were owed to Gresham LLP at 29 January 2012

19. Ultimate parent undertaking and controlling party

At 29 January 2012, the company was a subsidiary of Hotter Limited

The entire issued share capital of the company is indirectly owned by Hotter Group Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. The group accounts of Hotter Group Holdings Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. 37.5% of the issued share capital of the company is held by Barrington House Nominees Limited on behalf of investors in 'Gresham [III & 4] Fund'. The 'Gresham [III & 4] Fund' is managed by Gresham LLP. None of the shareholders of Hotter Group Holdings Limited has ultimate control.