IAN ALLAN GROUP LIMITED

REGISTERED NUMBER 00739567

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

Page	**Contents**

DIRECTORS AND ADVISORS

CHAIRMAN	D I. Allan
DIRECTORS	E P Allan G S. Allan A D. Watkins FCA M A Smith FCA
SECRETARY	D.A Hart FCA
REGISTERED OFFICE	Terminal House Station Approach Shepperton Middlesex TW17 8AS
AUDITORS	Menzies LLP Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
PRINCIPAL BANKER	Barclays Bank plc 8-12 Church Street Walton-on-Thames Surrey KT12 2QS

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and the financial statements for the year ended 30 November 2011.

Principal activities and business review

The Group's principal activities during the year were the selling and servicing of new and used motor vehicles, publishing and retailing of books and magazines, printing, property management, business travel management, operating miniature railways and the marketing of organic seeds and horticultural products

In spite of a strong performance from the Travel company and satisfactory results from the Property, Horticultural and Miniature Railway companies, the Group sustained a loss as a result of the adverse performances from the Publishing company and the Woking garage.

The Travel company has had an excellent year in which sales have increased by 15 8% Gross profit, comprising mainly transaction fees charged to clients, has increased by 11 5%, whilst the number of transactions processed increased by 21.8%. More efficient use of internal resources and improved systems have kept overheads down resulting in a 125% increase in operating profit.

In the Publishing company Magazine sales increased by 6 6% over last year largely as a result of the success of the Hornby railway modelling title. Book wholesale turnover reduced by 19 5% as part of a planned reorganisation and concentration on core subjects. Other departments' results were disappointing but not unexpected in the present economic climate and competition from Internet retailers Bookshop sales were down on 2010 by 8.2%. Internet and mail order sales were down by 46.4% Because of the continuing losses it was decided to seek buyers for the magazine division in order to generate cash and clear the accumulated deficit This was completed in February 2012 and is disclosed in Note 25

The property company sold a residential property during the year realising a profit of £254,000 This does not appear in the current year's profit and loss account as the property had been revalued in 2009 A building which was surplus to the Publishing company's requirements was sold at a small loss

Future Developments

The directors are taking steps to further reduce overhead costs across the Group Loss making activities within the operating companies are being addressed and actions already taken ro improve profitability.

The economic situation will continue to affect all businesses but, given the underlying strength of the balance sheet, the directors are confident of meeting the challenges ahead

Results and dividends

The loss for the year, after taxation, amounted to £1,208,000 (2010· loss of £785,000) No dividends were paid during the year.

Close company status

In the opinion of the directors, all companies within the group are 'close' companies

Risks and uncertainties

Interest rate risk

The Company's banking arrangements form part of an overall Group facility.
Under the group's banking arrangement there is a right of set off between all bank balances Interest is charged on the net position at a rate which moves with the bank base rate and wherever possible deposited funds are maximised to reduce the interest rate exposure

Credit risk

The Group's policy is to trade only with recognised, credit worthy third parties It is the policy of the Group that all clients who wish to trade on credit terms are subject to regular credit verification procedures involving established credit agencies, with the objective of minimising the exposure to bad debts

Liquidity risk

The funding needs of the Group are monitored by the Directors and facilities are made available to operating companies out of the group's banking facility to meet debts as they fall due

Commercial risk

The present economic uncertainties expose the Group to the risk of realising a loss, due to a reduction in business activity, which cannot be matched with a corresponding fall in expenditure in a similar timescale The Directors monitor activity levels on a continuous basis in order to minimise the impact of a decrease in business activity and are constantly reviewing the cost base of the Group and continuing the reorganisation of loss making departments

Directors

The directors listed below have held office during the whole of the period from 1 December 2010 to the date of this report

Mr D I Allan
Mr E P Allan
Mrs G S Allan
Mr A D Watkins FCA

Mr M A Smith was appointed a director on 1 February 2011

Directors' responsibilities

The directors are responsible for preparing 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 of the state of affairs of the company and of the profit or loss of the company for the period

In preparing those financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are also responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the 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

REPORT OF THE DIRECTORS

Directors' responsibilities (continued)

In so far as the directors are aware.

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Charitable and political contributions

During the year the Group made the following contributions·

	2011	2010
	£	£
Charitable	25	2,664

No contributions were made for political purposes

Disabled persons

The Group gives 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 the Group's 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 has continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the Group's performance Regular meetings are held between local management and employees to allow a free flow of information and ideas

Auditor

Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
Terminal House
Station Approach
Shepperton
Middlesex TW17 8AS

Approved by the Board on 29 March 2012
and signed on its behalf

D.A HART F.C.A.
Company Secretary

TO THE SHAREHOLDERS OF IAN ALLAN GROUP LIMITED

We have audited the group and parent company financial statements ("the financial statements") of Ian Allan Group Limited for the year ended 30 November 2011 on pages 6 to 27. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 and 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 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc org uk/apb/scope/private cfm

Opinion on financial statements

In our opinion the financial statements
- give a true and fair view of the state of the group's and parent company's affairs at 30 November 2011 and of the group's loss for the year then ended,
- and have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Menzies LLP

TERENCE GALE FCA (Senior Statutory Auditor)

For and on behalf of

Menzies LLP
Chartered Accountants and
Registered Auditor

29 March 2012

Ashcombe House
5 The Crescent
Leatherhead
Surrey KT22 8DY

CONSOLIDATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 NOVEMBER 2011

	Notes	2011 £000	2010 £000
Turnover	2	62,136	58,676
Cost of sales		54,008	49,680
Gross profit		8,128	8,996
Operatıng expenses			
Dıstnbutıon		(716)	(881)
Admınıstratıon		(8,704)	(9,164)
Other operatıng ıncome		119	106
Operating (loss)		(1,173)	(943)
Interest payable	3	(26)	(26)
(Loss) on ordinary activities before taxation	2	(1,199)	(969)
Taxatıon on (loss)/ profit on ordınary actıvıtıes	4	(9)	(184)
Retained (loss) for the financial year	17	(1,208)	(785)

All amounts above are denved from contınuıng operatıons

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 30 NOVEMBER 2011

	2011 £000	2010 £000
Profit for the financial year	(1,208)	(785)
Unrealised surplus on revaluation of freeholds	-	(89)
Total recognised gains and losses relating to the year	(1,208)	(874)
Total gains and losses recognised since the last annual report	(1,208)	(874)

CONSOLIDATED BALANCE SHEET

30 NOVEMBER 2011

	Notes	2011 £000	2011 £000	2010 £000	2010 £000
Fixed assets					
Intangible assets	8		28		65
Tangible assets	9		11,481		12,477
			11,509		12,542
Current assets					
Stock and work in progress	11	5,372		6,031	
Debtors	12	4,815		4,903	
Cash at bank		54		69	
		10,241		11,003	
Creditors. amounts falling due within one year	13	7,293		7,626	
Net current assets			2,948		3,377
Total assets less current liabilities			14,457		15,919
Creditors. amounts falling due after more than one year	14		-		254
			14,457		15,665
Capital and reserves					
Called up share capital	16		50		50
Share premium account			79		79
Revaluation reserve	17		1,661		1,948
Profit and loss account	17		12,667		13,588
Shareholders' funds	18		14,457		15,665

The financial statements were approved by the Board of Directors on 29 March 2012 and signed on its behalf by

E.P. Allan **Director**

REGISTERED NUMBER 00739567

BALANCE SHEET

30 NOVEMBER 2011

	Notes	2011 £000	2011 £000	2010 £000	2010 £000
Fixed assets					
Tangible assets	9		81		34
Investments	10		1,110		1,110
			1,191		1,144
Current assets					
Debtors	12	6,675		7,268	
Cash in hand		1		-	
		6,676		7,268	
Creditors: amounts falling due within one year	13	3,743		3,421	
Net current assets			2,933		3,847
Total assets less current liabilities			4,124		4,991
Creditors: amounts falling due after more than one year	14		-		254
			4,124		4,737
Capital and reserves					
Called up share capital	16		50		50
Share premium account			79		79
Profit and loss account	17		3,995		4,608
Shareholders' funds			4,124		4,737

The financial statements were approved by the Board of Directors on 29 March 2012 and signed on its behalf by

E.P. Allan **Director**

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 30 NOVEMBER 2011

	Notes	2011 £000	2010 £000
Cash inflow /(outflow) from operating activities	a	(92)	(191)
Returns on investments and servicing of finance	b	(26)	(26)
Taxation		(9)	(4)
Capital expenditure and financial investment	b	791	323
Equity dividends paid		-	(100)
Cash inflow /(outflow) before use of liquid resources and financing		664	2
Management of liquid resources			
Net movements in loans		-	10
Increase /(decrease) in cash in the period		664	12
Reconciliation of net cash flow to movements in net funds			
(Decrease)/ increase in cash in the period		664	12
Cash outflow from change in liquid resources		-	-
Change in net funds /(debt) resulting from cash flows		664	12
Reclassification of other creditors as debt		-	-
Movement in net funds /(debt) in the period		664	12
Net (debt)/ funds at 1 December 2010		(864)	(876)
Net debt at 30 November 2011	c	(200)	(864)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 30 NOVEMBER 2011

a Reconciliation of operating profit to operating cash flows

	2011 £000	2010 £000
Operating (loss)/ profit	(1,173)	(943)
Decrease/(increase) in stocks	659	46
Decrease (increase) in debtors	88	(521)
(Decrease)/increase in creditors	92	930
Depreciation and amortisation	264	351
Net loss (profit) on disposal of tangible fixed assets	(22)	(54)
Net cash inflow /(outflow) from operating activities	(92)	(191)

b Analysis of cash flows for items netted in the cash flow statement

	2011 £000	2010 £000
Returns on investments and servicing of finance		
Interest paid	(26)	(26)
Interest received	-	-
Net cash outflow for returns on investments and servicing of finance	(26)	(26)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(279)	(231)
Sale of tangible fixed assets	1,070	554
Net cash inflow /(outflow) for capital expenditure and financial investment	791	323

c Analysis of net funds /(debt)

	At 1 Dec 2010 £000	Cash flow £000	At 30 Nov 2011 £000
Net cash			
Cash at bank and in hand	69	(15)	54
Overdrafts	(679)	679	-
	(610)	664	54
Debt			
Other creditors	(254)	-	(254)
	(254)	-	(254)
	(864)	664	(200)

1. Accounting policies

The principal accounting policies of the Group are set out below

Accounting Convention

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost convention (modified to include the revaluation of investment properties)

Basis of consolidation

All subsidiary companies are consolidated and all companies in the Group make up their financial statements to 30 November 2011 No profit and loss account is presented for the holding company as provided for by Section 408 of the Companies Act 2006
A loss of £750,000 (2010 - loss of £715,000) has been dealt with in the accounts of Ian Allan Group Limited

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Deferred tax assets are recognised only to the extent that the directors consider 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

Depreciation

Depreciation is charged on the following bases to reduce the cost of the Group's tangible fixed assets to their net realisable values over their estimated useful lives at the following rates

Freehold land	- nil
Freehold buildings	- on straight line basis over expected economic life
Leasehold property	- on a straight line basis over term of lease
Vehicles	- 25% per annum on cost
Plant and equipment:	
Computers and electronic equipment	- 20-33% per annum on cost
Printing presses	- 20% per annum on cost
Telephone systems	- 20% per annum on cost
Other	- 15% per annum on net book value, or 10 - 20% on cost

Depreciation is not provided in respect of the company's freehold investment properties, which are reflected at a valuation This treatment has been adopted to comply with the requirements of Statement of Standard Accounting Practice Number 19, accounting for investment properties.

Although this is a departure from the accounting requirements of the Companies Act 2006, which required such properties to be depreciated, the directors consider departure in this regard justified on the grounds of compliance with the Accounting Standard and the overriding requirement under section 394 of the Companies Act 2006 for the financial statements to show a true and fair view

1. Accounting policies (Continued)

Investment properties

The company's freehold investment properties are revalued annually and the aggregate surplus or deficit is transferred to the company's revaluation reserve.

Goodwill

Goodwill on the acquisition of subsidiary undertakings is amortised over a period of ten years on a straight line basis

Purchased goodwill has been fully written-down over the expected useful life

Intangible fixed assets - Research and development

Expenditure on research is charged to the profit and loss account in the year in which the expenditure is incurred.
The purchase of backlist titles for further development and expenditure on further back projects is capitalised and deferred to future periods in accordance with Statement of Standard Accounting Practice 13

The cost, less estimated residual value, of the company's intangible fixed assets is amortised over their estimated useful lives to the business as follows

Development costs	- 20% per annum on cost

Stocks and Work in Progress

Stocks have been valued, as in previous years at cost and net realisable value, whichever is the lower, less an adjustment to cover wastage, spoilt work, shortages and deteriorated stock in the hands of representatives

Cost of bringing each product to its present location comprises purchase cost of goods, direct labour and those overheads related to production based on a normal activity level

Net realisable value is based on estimated selling price

Consignment stock is recognised in the balance sheet of the Group with a corresponding liability once vehicles are delivered to the Group's premises Consignment stock held at third party premises is disclosed as a financial commitment

Turnover

Turnover is the total amount receivable by the Group for goods supplied and services provided, excluding value added tax and trade discounts In so far as travel facilities are concerned the turnover included in these accounts represents the gross sales effected

Short term deposits

Short term deposits are bank deposit accounts where the notice period is greater than 24 hours.

Pension scheme arrangements

The Group operates defined contribution pension schemes for the benefit of eligible employees and the funds of the schemes are administered by trustees and are separate from the Group funds Pension costs are charged against profits as are the amount of contributions payable to the pension schemes in respect of the accounting period. The costs paid are charged to the profit and loss account as incurred.

1. Accounting policies (Continued)

Lease and hire purchase commitments

Payments under operating leases are charged to the profit and loss account as incurred.

Assets financed under hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful economic lives

Assets financed under finance leases are capitalised in the balance sheet at their fair value and are depreciated over the shorter of the term of the lease and their estimated useful economic lives

Finance charges and interest in connection with finance leases and hire purchase contracts are charged to the profit and loss account on the sum of the digits basis

Foreign currencies

Monetary assets expressed in foreign currencies are translated into sterling at the rate ruling at the balance sheet date Revenues and costs are translated at the rate ruling on the date on which the transactions occur.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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

2 Turnover and (loss) on ordinary activities before taxation

Turnover was contributed as follows.

	2011 £000	2010 £000
Vehicle sales and servicing	6,628	7,967
Printing and publishing sales	10,046	11,035
Travel sales	42,722	36,882
Property rentals and other operations	964	976
Horticultural product sales	1,776	1,816
	62,136	58,676

2. Turnover and (loss) on ordinary activities before taxation (continued)

(Loss) before tax was contributed as follows:

	2011 £000	2010 £000
Vehicle sales and servicing	(50)	(350)
Printing and publishing sales	(1,383)	(893)
Travel sales	448	199
Property rentals and other operations	348	226
Horticultural product sales	205	85
Holding company	(751)	(211)
	(1,183)	(944)
Reconciling items		
Amortisation of goodwill on acquisition	(16)	(25)
	(1,199)	(969)

Net assets, net of inter company balances, were employed as follows

	2011 £000	2010 £000
Vehicle sales and servicing	615	845
Printing and publishing sales	(137)	879
Travel sales	4,721	4,475
Property rentals and other operations	11,160	11,647
Horticultural product sales	757	544
Holding company	(2,546)	(2,725)
	14,570	15,665

(Loss) is stated after charging

	2011 £000	2010 £000
Depreciation and amortisation	264	351
Loss on disposal of fixed assets	20	-
Auditors' remuneration - audit	77	74
Auditors' remuneration - non audit	13	14
Operating lease rentals - plant and machinery	144	183
Operating lease rentals - land and buildings	149	206
and after crediting		
Other operating income		
Other sundry income	119	106
	119	106

3. Interest

	2011 £000	2010 £000
Interest payable		
On bank overdraft	10	11
On other loans	16	15
	26	26

4 Tax on (loss) on ordinary activities

(a) Analysis of charge for the year

	2011 £000	2010 £000
Current tax		
UK Corporation tax on profits for the year	-	-
Adjustment in respect of prior years	-	2
Total current tax (note 4b)	-	2
Deferred tax		
Origination and reversal of timing differences	6	(177)
Effect of change of tax rate on opening balances	(15)	(9)
	(9)	(184)

4. Tax on (loss) on ordinary activities (continued)

(b) Factors affecting the tax charge for the year

The tax assessed for the year is higher than the standard rate of Corporation Tax in the UK. The differences are explained below

	2011 £000	2010 £000
(Loss) on ordinary activities before tax	(1,199)	(969)
(Loss) on ordinary activities before tax multiplied by the rate of Corporation Tax of 26.67% (2010 28%)	(336)	(271)
Expenses not deductible for tax purposes	21	80
Depreciation in excess of capital allowances	24	68
Capital gains	50	71
Adjustments in respect of prior years	-	2
Non-taxable income	-	(71)
Losses carried forward	241	123
Current tax charge for the year	-	2

(c) Factors that may affect future tax charges

No provision has been made for deferred tax on chargeable gains which have been rolled into certain of the company's fixed assets on the grounds that the directors have no intention of disposing of those assets without further reinvestment The potential tax liability relating to the rolled over gain amounts to £1,475,000

5. Dividends

Amounts recognised as distributions to equity holders in the period

	2011 £000	2010 £000
2010 interim dividend of 50p	-	100

6. Staff costs

Staff costs, including directors remuneration, were as follows

	2011 £000	2010 £000
Wages and salaries	5,821	6,327
Social security costs	620	650
Redundancy costs	172	111
Pension costs	3	152
	6,616	7,240

The average monthly number of employees during the year was as follows	No	No
Production	60	49
Sales	100	126
Administrative	86	89
	246	264

7. Directors

	2011 £000	2010 £000
Remuneration		
All directors		
Aggregate emoluments	478	540
Company pension contributions to money purchase schemes	29	48
Highest paid director		
Aggregate emoluments	174	199
Company pension contributions to money purchase schemes	-	-
Amount of rights to emoluments waived by three directors	-	-

Retirement benefits accrued to four directors under money purchase pension schemes during the year (2010 - four)

8. Intangible fixed assets

Group

	Goodwill £000	Development costs £000	Other £000	Total £000
Cost				
At 1 December 2010	275	7	1,436	1,718
At 30 November 2011	275	7	1,436	1,718
Amortisation				
At 1 December 2010	226	7	1,420	1,653
Charge for the year	21	-	16	37
At 30 November 2011	247	7	1,436	1,690
Net book amount				
At 30 November 2010	49	-	16	65
At 30 November 2011	28	-	-	28

"Other" assets under this heading represent the excess of cost of shares in subsidiary companies over book value of the net assets of these companies at the dates of acquisition.

9. Tangible fixed assets

Group	Investment Properties £000	Freehold Land and Buildings £000	Vehicles Plant and Equipment £000	Total £000
Cost				
At 1 December 2010	7,978	4,267	2,985	15,230
Additions	5	-	274	279
Disposals	(350)	(707)	(345)	(1,402)
At 30 November 2011	7,633	3,560	2,914	14,107
Depreciation				
At 1 December 2010	-	219	2,534	2,753
Charge for the year	-	29	198	227
Released on disposals	-	(23)	(331)	(354)
At 30 November 2011	-	225	2,401	2,626
Net book value				
At 30 November 2010	7,978	4,048	451	12,477
At 30 November 2011	7,633	3,335	513	11,481

The comparable amounts of freehold land and buildings included above at valuation determined according to the historical cost accounting rules are

	£000
Cost	6,274
Accumulated depreciation	307
Net book value	
At 30 November 2011	5,967
At 30 November 2010	5,993

Investment freeholds were revalued during the year by the directors on the basis of open market value for existing use.
The last formal valuation was undertaken in 2009 by Vail Williams LLP.

9. Tangible fixed assets (Continued)

Company	Vehicles Plant and Equipment £000
Cost	
At 1 December 2010	173
Additions	78
Disposals	(86)
At 30 November 2011	165
Depreciation	
At 1 December 2010	139
Charge for the year	
Disposals	(82)
	27
At 30 November 2011	84
Net book value	
At 30 November 2010	34
At 30 November 2011	81

10. Investments

Company

	2011 £000	2010 £000
Shares in group companies		
Cost		
At 1 December 2010	2,481	2,481
At 30 November 2011	2,481	2,481
Provision		
At 1 December 2010	1,371	1,371
At 30 November 2011	1,371	1,371
Net book value		
At 30 November 2010	1,110	1,110
At 30 November 2011	1,110	1,110

The principal subsidiary undertakings wholly owned by the group at 30 November 2011 are listed below. All the undertakings are registered in England and Wales

	Nature of business
Ian Allan Publishing Limited	Publishers and booksellers
Ian Allan Motors Limited	Car sales and service
Ian Allan Travel Limited	Business travel managers
Ian Allan (Printing) Limited	Printers
Ian Allan (Miniature Railway Supplies) Limited	Miniature railway operator
Tennay Properties Limited	Property managers
Chase Organics (Great Britain) Limited	Horticultural products

Details of other subsidiary undertakings not listed here will be annexed to the company's next annual return

11 Stock and work in progress

Group

	2011 £000	2010 £000
Work in progress	253	325
New and used motor vehicles	922	1,184
Raw materials	57	39
Finished goods	4,140	4,483
	5,372	6,031

11. Stock and work in progress (continued)

The above amounts include consignment stock of £ nil (2010 - £165,000) delivered to the group's premises and recognised in the balance sheet of the group in accordance with FRS 5

There are no significant differences between the replacement cost and the values disclosed for all categories of stock

12. Debtors

	Group		Company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Trade debtors	3,852	4,144	-	-
Amounts due from group undertakings	-	-	6,524	7,205
Other debtors	156	107	4	7
Deferred taxation	204	213	25	29
Prepayments and accrued income	603	439	122	27
	4,815	4,903	6,675	7,268

All amounts included above are considered receivable within one year

13 Creditors.
Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Bank overdrafts	-	679	2,211	1,956
Trade creditors	4,257	4,427	41	34
Amounts due to group undertakings	-	-	960	946
Current corporation tax	-	-	-	-
Social security and other taxes	229	241	46	57
Other creditors	791	747	416	358
Accruals and deferred income	2,016	1,532	69	70
	7,293	7,626	3,743	3,421

The bank overdraft is secured by a fixed and floating charge over the assets of the Group.

14. Creditors:
Amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Other creditors	-	254	-	254

15. Provisions for liabilities and charges

Deferred taxation

	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
Accelerated capital allowances	(179)	(192)	(24)	(24)
Other short term timing differences	(25)	(21)	(5)	(5)
	(204)	(213)	(29)	(29)

Movements dunng the year were as follows

	2011 £	2010 £	2011 £	2010 £
At 1 December 2010	(213)	(27)	(29)	(21)
Deferred tax asset (provided)/ released	(6)	(177)	2	(1)
	(219)	(204)	(27)	(22)
Effect of change of tax rate on opening balances	15	(9)	2	(7)
At 30 November 2011	(204)	(213)	(25)	(29)

16 Called up share capital

	2011 £000	2010 £000
Authonsed		
Equity		
100,000 'D' ordinary shares of 25p each	25	25
100,000 'P' ordinary shares of 25p each	25	25
	50	50
Allotted, called up and fully paid		
Equity		
99,864 'D' ordinary shares of 25p each	25	25
99,864 'P' ordinary shares of 25p each	25	25
	50	50

Both classes of share have equal voting nghts.

17. Reserves

	Group Revaluation Reserve £000	Group Profit & Loss Account £000	Company Profit & Loss Account £000
At 1 December 2010	1,948	13,588	4,608
(Loss) for the financial year	-	(1,208)	(613)
Realised surplus on revalued fixed assets	(287)	287	-
At 30 November 2011	1,661	12,667	3,995

18. Reconciliation of movement in shareholders' funds

	2011 £000	2010 £000
(Loss) for the financial year	(1,208)	(785)
Dividends paid	-	(100)
Net surplus arising on revaluation of tangible fixed assets	-	(89)
	(1,208)	(974)
Opening shareholders' funds	15,665	16,639
Closing shareholders' funds	14,457	15,665

19. Commitments under operating leases

At 30 November 2011 the group was committed to making the following payments under operating leases over the following twelve months

	2011 Land and Buildings £000	2011 Other Assets £000	2010 Land and Buildings £000	2010 Other Assets £000
Contracts to expire				
within one year	-	29	-	106
in two to five years	115	23	115	23
after five years	35	-	35	-
	150	52	150	129

20. Future capital expenditure

Capital expenditure contracted for but not provided for in the financial statements at 30 November 2011 amounted to £ nil (2010 - £nil)

21. Financial commitments

In accordance with normal motor car dealership practice, there is a commitment for vehicles on consignment plan from manufacturers In accordance with FRS 5 vehicles delivered to the group's premises are recognised in the balance sheet. There were no commitments for vehicles on consignment plans from manufacturers at 30 November 2011 (2010 - £nil).

22. Pension commitments

The group operates defined contribution pension plans for certain of its employees, the costs of which are calculated annually and charged in the profit and loss account

Group pension costs for 2011 amounted to £172,000 (2010 - £152,000)

23 Contingent liabilities

The company has provided Barclays Bank plc with fixed charges over three freehold properties and guarantees to secure the bank borrowings of the Group
At 30 November 2011 the group had no net bank borrowings with Barclays Bank plc (2010 - £756,000)

24. Related party transactions

a The company has throughout the financial year, held a loan from the Ian Allan Group Limited Pension Fund, a scheme established for certain employees of the company Interest is payable at 3% above base rate

	2011 £000	2010 £000
At 1 December 2010	230	230
At 30 November 2011	230	230

b The company holds loans from the David and Paul Allan's Children's Trusts Interest is payable at 1% above base rate

	2011 £000	2010 £000
At 1 December 2010	24	40
Loans repaid	0	(16)
At 30 November 2011	24	24

24. Related party transactions (continued)

c The company holds a loan from the Mr D.I Allan on which interest is payable at 2% above base rate

	2011 £000	2010 £000
At 1 December 2010	250	-
Amount loaned	-	250
Repaid	(250)	-
At 30 November 2011	-	250

d The company holds balances due to Mr D I Allan and Mr E P Allan for undrawn expenses and dividends on which interest is payable at 1% above base rate

	2011 £000	2010 £000
At 1 December 2010	103	4
Movements in balances	38	99
At 30 November 2011	141	103

e Included in other creditors is £3,000 (At 30 November 2010 - £19,000) due to the Ian Allan Group Ltd Pension Fund relating to rent collected on behalf of the Pension Fund

f During the year the company sold a property to Mr D I Allan The consideration of £330,000 was the current market value as determined by an independent survey.

25. Events after the balance sheet date

On 29 February 2012 the magazine division was sold The goodwill was valued at £3,680,000 and the net cash proceeds were £2,783,358

26. Controlling parties

The directors consider that the ultimate controlling parties are D I Allan and E.P Allan, together with their families