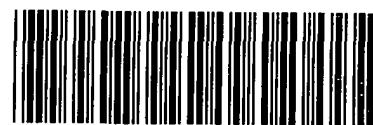


**MIDLAND REGIONAL PRINTERS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**Company Registration Number 00961426**

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**MIDLAND REGIONAL PRINTERS LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2014**

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**MIDLAND REGIONAL PRINTERS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 30 SEPTEMBER 2014**

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**The board of directors**

SG Tew  
PL Tew  
SM Bates  
MT Tew  
CE Tew

**Company secretary**

SG Tew

**Business address**

Jubilee House  
Nottingham Road  
Nottingham  
NG7 7BT

**Registered office**

Suite A, 7<sup>th</sup> Floor  
City Gate East  
Tollhouse Hill  
Nottingham  
NG1 5FS

**Auditor**

Baker Tilly UK Audit LLP  
Chartered Accountants  
Suite A, 7<sup>th</sup> Floor  
City Gate East  
Tollhouse Hill  
Nottingham  
NG1 5FS

# MIDLAND REGIONAL PRINTERS LIMITED

## STRATEGIC REPORT

YEAR ENDED 30 SEPTEMBER 2014

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### Principal activity

The principal activity of the company is that of a commercial printer coupled with specialist packaging, label and digital divisions.

### Business review

As trading conditions continue to be difficult decisions were taken to consolidate on certain types of work, this enabled the sale of two presses which were not working to capacity which in turn gave a twofold benefit of reducing debt and repair costs.

In conjunction with this we have moved forward in gaining accreditation for producing food labelling; this has meant creating a clean environment within the premises; although a costly exercise we hope that increased turnover and profit will be forthcoming in the near future.

We look forward to 2014/15 optimistic that the tide has turned and the actions we have taken will show positive results.

### Financial risk management objectives and policies

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and hire purchase and finance lease agreements. The main purpose of these instruments is to finance the business operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest and invoice discounting.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debts.

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

Loans comprise loans from the directors and from financial institutions. The interest rate and monthly repayments on the loans from financial institutions are fixed at 2% over base rate. The business manages the liquidity risk by ensuring there are sufficient funds available to meet payments.

The business is a lessee in respect of financed leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet payments.

Signed on behalf of the directors

SM Bates

Director

Approved by the directors on 29 June 2015

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# MIDLAND REGIONAL PRINTERS LIMITED

## DIRECTORS' REPORT

### YEAR ENDED 30 SEPTEMBER 2014

---

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

#### Results and dividends

The loss for the year, after taxation, amounted to £131,497. The directors have not recommended a dividend.

#### Directors

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

SG Tew  
PL Tew  
SM Bates  
MT Tew  
CE Tew  
E Taylor – resigned 24 September 2014

#### Directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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.

In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware; and
  - each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.
-

**MIDLAND REGIONAL PRINTERS LIMITED**

**DIRECTORS' REPORT (*CONTINUED*)**

**YEAR ENDED 30 SEPTEMBER 2014**

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**Strategic report**

The company has chosen in accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

**Auditor**

Baker Tilly UK Audit LLP are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

Signed on behalf of the directors

SM Bates

Director

A handwritten signature in black ink, consisting of a large, stylized 'S' with a smaller 'M' integrated into it, followed by a large, loopy 'B'.

Approved by the directors on 29 June 2015

# **MIDLAND REGIONAL PRINTERS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

**YEAR ENDED 30 SEPTEMBER 2014**

---

We have audited the financial statements of Midland Regional Printers Limited for the year ended 30 September 2014 on pages 7 to 20. 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 3, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 September 2014 and of its loss 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.

### **Emphasis of matter**

Emphasis of matter - Going concern:

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. At the balance sheet date the company's current liabilities exceeded its current assets by £386,513. These conditions along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

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**MIDLAND REGIONAL PRINTERS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

---

**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.

*Baker Tilly UK Audit LLP*

Kelly Boorman, Senior Statutory Auditor  
For and on behalf of

Baker Tilly UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Suite A, 7<sup>th</sup> Floor  
City Gate East  
Tollhouse Hill  
Nottingham  
NG1 5FS  
30 June 2015



# MIDLAND REGIONAL PRINTERS LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2014

	Note	2014 £	2013 £
<b>Turnover</b>	2	3,917,847	4,560,258
Cost of sales		(2,831,920)	(3,458,353)
<b>Gross profit</b>		1,085,927	1,101,905
Distribution costs		(160,614)	(181,869)
Administrative expenses		(784,353)	(776,211)
<b>Operating profit</b>	3	140,960	143,825
Loss on sale of tangible fixed assets	3	(304,765)	-
Interest receivable	6	99,214	
Interest payable and similar charges	7	(94,044)	(133,739)
<b>(Loss)/profit on ordinary activities before taxation</b>		(158,635)	10,086
Tax on profit on ordinary activities	8	27,138	(6,020)
<b>(Loss)/profit for the financial year</b>		(131,497)	4,066

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 11 to 20 form part of these financial statements

**MIDLAND REGIONAL PRINTERS LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 30 SEPTEMBER 2014**

---

	2014 £	2013 £
Profit for the financial year		
Attributable to the shareholders	(131,497)	4,066
Unrealised gain on revaluation of certain fixed assets	107,478	-
 Total gains and losses recognised since the last annual report	 <u>(24,019)</u>	 <u>4,066</u>

# MIDLAND REGIONAL PRINTERS LIMITED

## BALANCE SHEET

YEAR ENDED 30 SEPTEMBER 2014

		2014		2013	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		1,734,246		2,267,768
<b>Current assets</b>					
Stocks	10	198,915		319,051	
Debtors	11	769,528		871,688	
Cash at bank and in hand		83,147		3,445	
		1,051,590		1,194,184	
<b>Creditors: amounts falling due within one year</b>	12	(1,438,103)		(1,912,800)	
<b>Net current liabilities</b>			(386,513)		(718,616)
<b>Total assets less current liabilities</b>			1,347,733		1,549,152
<b>Creditors: amounts falling due after more than one year</b>					
	13		(253,672)		(352,064)
<b>Provisions for liabilities</b>					
Deferred taxation	15		(13,316)		(92,324)
			1,080,745		1,104,764
<b>Capital and reserves</b>					
Called-up share capital	17		1,000		1,000
Revaluation reserve			848,511		741,033
Profit and loss account	18		231,234		362,731
<b>Shareholders' funds</b>	19		1,080,745		1,104,764

These accounts were approved by the directors and authorised for issue on 29 June 2015, and are signed on their behalf by:

SM Bates  
Director



The notes on pages 11 to 20 form part of these financial statements

# MIDLAND REGIONAL PRINTERS LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 30 SEPTEMBER 2014

	Note	£	2014 £	£	2013 £
<b>Net cash inflow from operating activities</b>	20		316,262		271,870
<b>Returns on investments and Servicing of finance</b>					
Interest receivable/(payable)		28,258		(88,248)	
Interest element of finance leases		(23,088)		(45,491)	
<b>Net cash outflow from returns on investments and servicing of finance</b>			5,170		(133,739)
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets		(55,619)		(9,320)	
Receipts from sale of fixed assets		283,999		301	
<b>Net cash inflow/(outflow) from capital expenditure</b>			228,380		(9,019)
<b>Cash inflow before financing</b>			549,812		129,112
<b>Financing</b>					
Repayment of bank loans	20	(122,448)		(31,423)	
Capital element of finance leases	20	(270,800)		(195,358)	
<b>Net cash outflow from financing</b>			(393,248)		(226,781)
<b>Increase/(decrease) in cash</b>	20		156,564		(97,669)

The notes on pages 11 to 20 form part of these financial statements

**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2014**

---

**1. Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

**Going concern**

The financial statements have been prepared on a going concern basis notwithstanding the fact that the company is in a net current liability position at the year end. The company meets its day to day working capital requirements through the ongoing facilities provided by the directors and the company's bankers continuing to provide the necessary finance to enable the company to trade. The directors expect there to be adequate funding available for the foreseeable future, however there is uncertainty as to whether that funding would be sufficient. If this support was not continued and the company was unable to trade, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide for any further liabilities which may arise, and to reclassify fixed assets as current assets.

**Turnover**

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

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Freehold property	- 2% per annum straight line
Plant & machinery	- 10% or 15% per annum reducing balance
Fixtures & fittings	- 15% per annum reducing balance
Motor vehicles	- 15% per annum reducing balance

Revaluation surpluses are taken to the revaluation reserve. Deficits on subsequent revaluations are charged to the profit and loss account if they are considered to arise as a result of the consumption of the economic benefits provided by the asset. Other deficits on revaluation are charged to the revaluation reserve up to the amount of the associated revaluation surplus. Any excess deficits are charged to the profit and loss account.

Where an asset that was previously revalued is disposed of, its book value is eliminated and an appropriate transfer is made from the revaluation reserve to the profit and loss reserve.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historic cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

---

**1. Accounting policies (continued)**

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in first-out method and includes the normal cost of transporting stock to its present location and condition. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

**Work in progress**

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity.

**Finance lease agreements**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Assets held under finance lease agreements are capitalised and disclosed under tangible fixed assets at their fair value, and are depreciated in accordance with the above depreciation policies.

Future instalments payable under such agreements, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element, which reduces the outstanding obligation included within creditors, and the finance element, which is charged to the profit and loss account at a constant proportion of the capital repayments outstanding.

**Operating leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**Pension costs**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

**Deferred taxation**

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 have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it 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 assets and liabilities recognised have not been discounted. Deferred tax is measured on a non-discounted basis at the average 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.

**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

---

**1. Accounting policies (continued)**

**Financial instruments**

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

**2. Turnover**

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

An analysis of turnover is given below:

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
United Kingdom	3,858,290	4,454,116
Overseas	59,557	106,142
	<u>3,917,847</u>	<u>4,560,258</u>

**3. Operating profit**

Operating profit is stated after charging:

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Depreciation of owned fixed assets	90,745	60,922
Depreciation of assets held under finance lease agreements	7,149	108,358
Loss on disposal of other fixed assets	9,961	1,075
Auditors remuneration	8,950	5,250
Operating lease costs:		
- Plant and machinery	14,593	14,899
	<u>14,593</u>	<u>14,899</u>

Exceptional items:

Included below operating profit on the face of the profit and loss account is £304,765 representing an exceptional loss of the sale of two printing presses.

**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

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**4. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to:

	<b>2014</b>	<b>2013</b>
	<b>No</b>	<b>No</b>
Office and management	20	22
Manufacturing and sales	25	33
	<u>45</u>	<u>55</u>

The aggregate payroll costs of the above were:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,020,459	1,205,209
National Insurance contributions	93,527	103,706
Other pension costs	15,876	13,386
	<u>1,129,862</u>	<u>1,322,301</u>

**5. Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services were:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	135,578	88,239
Value of company pension contributions to money purchase schemes	15,750	13,260
	<u>151,328</u>	<u>101,499</u>

The number of directors accruing benefits under company pension schemes was as follows:

	<b>2014</b>	<b>2013</b>
	<b>No</b>	<b>No</b>
Money purchase schemes	<u>2</u>	<u>2</u>

**6. Interest receivable**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Interest refunded from prior year overpayments	99,214	-
	<u>99,214</u>	<u>-</u>



**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

**7. Interest payable and similar charges**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Interest payable on bank borrowing	13,985	22,346
Finance charges	23,088	45,491
Other similar charges payable	56,971	65,902
	<u>94,044</u>	<u>133,739</u>

**8. Taxation on loss on ordinary activities**

**(a) Analysis of charge in the year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
UK Corporation tax: Charge for year	51,870	16,533
Deferred tax: Origination and reversal of timing differences	(79,008)	(10,513)
Total deferred tax (note 14)	<u>(79,008)</u>	<u>(10,513)</u>
Tax on profit on ordinary activities	<u>(27,138)</u>	<u>6,020</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2013 - 20%).

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
(Loss)/profit on ordinary activities before taxation	<u>(158,635)</u>	<u>10,086</u>
Profit on ordinary activities by rate of tax	(31,727)	2,017
Effects of:		
Fixed asset differences	4,314	-
Expenses not deductible for tax purposes	276	216
Depreciation for period in excess of capital allowances	79,120	10,583
Utilisation of tax losses	-	(448)
Non qualifying depreciation	-	4,165
Other short term timing differences	(113)	-
Total current tax (note 7(a))	<u>51,870</u>	<u>16,533</u>

**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

**9. Tangible fixed assets**

	Freehold property £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 October 2013	1,180,000	4,312,206	69,577	111,401	5,673,184
Additions	-	38,834	-	16,785	55,619
Disposals	-	(1,724,391)	(2,333)	(30,500)	(1,757,224)
Revaluation	45,000	-	-	-	45,000
At 30 September 2014	1,225,000	2,626,649	67,244	97,686	4,016,579
<b>Depreciation</b>					
At 1 October 2013	41,652	3,217,845	56,614	89,305	3,405,416
Charge for the year	20,826	66,737	1,922	8,409	97,894
On disposals	-	(1,131,062)	(2,186)	(25,251)	(1,158,499)
Revaluation adjustment	(62,478)	-	-	-	(62,478)
At 30 September 2014	-	2,153,520	56,350	72,463	2,282,333
<b>Net book value</b>					
At 30 September 2014	1,225,000	473,129	10,894	25,223	1,734,246
At 30 September 2013	1,138,348	1,094,361	12,963	22,096	2,267,768

The company's freehold property was professionally revalued by Marriotts Chartered Surveyors on the 27 October 2014. The property on Malton Road was valued at £625,000 and the premises known as Jubilee House on Nottingham Road was valued at £600,000. This class of assets has a current value of £1,117,522. (2013 - £1,138,348) and a carrying amount at historical cost of £768,400 (2013 - £768,400). The accumulated depreciation on this historical cost is £324,331 (2013 - £308,963).

**Finance lease agreements**

Included within the net book value of £1,626,768 is £21,448 (2013 - £904,392) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £7,149. (2013 - £108,358).

**10. Stocks**

	2014 £	2013 £
Raw materials	79,699	80,214
Work in progress	53,701	148,449
Finished goods	65,515	90,388
	<u>198,915</u>	<u>319,051</u>

**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

**11. Debtors**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade debtors	708,836	796,337
Other debtors	37,360	53,259
Prepayments and accrued income	23,332	22,092
	<u>769,528</u>	<u>871,688</u>

**12. Creditors: amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	523,086	687,884
Trade creditors	563,624	688,198
Corporation tax	68,403	16,533
Other taxation and social security	82,840	101,221
Finance lease agreements	8,064	214,984
Other creditors	532	1,095
Directors current accounts	142,842	150,414
Accruals and deferred income	48,712	52,471
	<u>1,438,103</u>	<u>1,912,800</u>

Included within bank loans is £490,118 (2013 - £579,600) of factored debt.

**13. Creditors: amounts falling due after more than one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank loans	241,794	276,306
Finance lease agreements	11,878	75,758
	<u>253,672</u>	<u>352,064</u>

The bank overdraft, loan and invoice finance creditor are secured by way of a debenture including a fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future and a first floating charge over all assets and undertaking both present and future.

Obligations under finance leases are secured against the assets to which they relate.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

**14. Commitments under finance lease agreements**

Future commitments under finance lease agreements are as follows:

	2014 £	2013 £
Amounts payable within 1 year	8,064	214,984
Amounts payable between 1 and 2 years	2,730	75,758
Amounts payable between 3 and 5 years	9,148	-
	<u>19,942</u>	<u>290,742</u>
Finance lease agreements are analysed as follows:		
Current obligations	8,064	214,984
Non-current obligations	11,878	75,758
	<u>19,942</u>	<u>290,742</u>

**15. Deferred taxation**

The movement in the deferred taxation provision during the year was:

	2014 £	2013 £
At 1 October 2013	92,324	102,837
Profit and loss account movement arising during the year	(79,008)	(10,513)
At 30 September 2014	<u>13,316</u>	<u>92,324</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2014 £	2013 £
Excess of taxation allowances over depreciation on fixed assets	13,316	92,324
Tax losses available	-	-
	<u>13,316</u>	<u>92,324</u>

**16. Related party transactions**

At 30 September 2014 an amount of £101,831. (2013 - £109,403) was owed to SG Tew and £41,011 (2012 - £41,011) was owed to PL Tew, being balances on the directors current accounts.

**17. Share capital**

**Allotted, called up and fully paid:**

	2014 No	£	2013 No	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000

**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

**18. Profit and loss account**

	2014 £	2013 £
Balance brought forward	362,731	358,665
Profit for the financial year	(131,497)	4,066
Balance carried forward	<u>231,234</u>	<u>362,731</u>

**19. Reconciliation of movements in shareholders' funds**

	2014 £	2013 £
Profit for the financial year	(131,497)	4,066
Unrealised gain on revaluations	107,478	-
Opening shareholders' funds	1,104,764	1,100,698
Closing shareholders' funds	<u>1,080,745</u>	<u>1,104,764</u>

**20. Notes to the cash flow statement**

**Reconciliation of operating profit to net cash inflow from operating activities**

	2014 £	2013 £
Operating profit	140,960	143,825
Depreciation	97,894	169,280
Loss on disposal of fixed assets	9,961	1,075
Decrease/(increase) in stocks	120,136	(24,594)
Decrease in debtors	102,160	186,429
Decrease in creditors	(154,849)	(204,145)
Net cash inflow from operating activities	<u>316,262</u>	<u>271,870</u>

**Reconciliation of net cash flow to movement in net debt**

	2014 £	2013 £
Increase/(decrease) in cash in the period	156,564	(97,669)
Net cash outflow from bank loans	122,448	31,423
Cash outflow in respect of finance leases	<u>270,800</u>	<u>195,358</u>
Change in net debt	<u>549,812</u>	<u>129,112</u>
Net debt at 1 October 2013	(1,251,487)	(1,380,599)
Net debt at 30 September 2014	<u>(701,675)</u>	<u>(1,251,487)</u>

**MIDLAND REGIONAL PRINTERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 30 SEPTEMBER 2014**

**20. Notes to the cash flow statement (continued)**

**Analysis of changes in net debt**

	At 1 October 2013 £	Cash flows £	Non-cash Items £	At 30 September 2014 £
Net cash:				
Cash in hand and at bank	3,445	79,702	-	83,147
Overdrafts	(76,862)	76,862	-	-
	<u>(73,417)</u>	<u>156,564</u>	<u>-</u>	<u>83,147</u>
Debt:				
Debt due within 1 year	(611,022)	122,448	(34,512)	(523,086)
Debt due after 1 year	(276,306)	-	34,512	(241,794)
Finance lease agreements	(290,742)	270,800	-	(19,942)
	<u>(1,178,070)</u>	<u>393,248</u>	<u>-</u>	<u>(784,822)</u>
Net debt	<u>(1,251,487)</u>	<u>549,812</u>	<u>-</u>	<u>(701,675)</u>

**21. Commitments under operating leases**

At 30 September 2014, the company had annual commitments under non-cancellable operating leases as set out below:-

	2014 £	2013 £
Operating leases which expire:-		
Within 1 year	5,244	14,824
Within 2 to 5 years	12,421	13,296
	<u>17,665</u>	<u>28,120</u>

**22. Ultimate controlling party**

The company is controlled by SG Tew a director of the company by virtue of his shareholding.