

REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2011
FOR
DOUGLAND HOLDINGS LIMITED



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FOR THE YEAR ENDED 31 JULY 2011

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DOUGLAND HOLDINGS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2011

DIRECTORS: T F Hoyland
Mrs M C Cook

SECRETARY: Mrs M C Cook

REGISTERED OFFICE: Little Park Farm
Little Park Farm Road
Segensworth West
Fareham
Hampshire
PO15 5SN

REGISTERED NUMBER: 01218204 (England and Wales)

AUDITORS: Leonard Gold
Statutory Auditor
Chartered Accountants
24 Landport Terrace
Portsmouth
Hampshire
PO1 2RG

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2011

The directors present their report with the financial statements of the company and the group for the year ended 31 July 2011

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of industrial and commercial cleaning contractors and holding of property to facilitate that business

REVIEW OF BUSINESS

This financial year has seen many challenges for all businesses. The service industry in particular, however, seems to be suffering a delayed response to the recession that most industries felt between 2008 and 2010. This is particularly relevant to soft-services organisations such as our own group where our services are seen very much as a non-essential operation. As a consequence both existing and potential new clients of the group are focussing heavily on soft-services contracts and either reducing the specification of works or, worse still, looking at bundled services, all of which have made the group's financial year a significant challenge.

The service company has secured some very exciting new business in the year and has managed to recoup some of the business lost to natural wastage. At the same time it has been able to continue with its profit expectations.

The directors of the group holding company and the service company have continued to examine the non-essential costs in terms of overhead management, vehicles and raw materials and have made significant headway into these sectors allowing the financial performance of the group to be maintained. They are convinced that, moving forward, the measures that have been put in place will continue to show benefits in the years ahead.

In summary it has been a challenging year for the group, there have been obstacles which have been met head on by the group and its management teams and they have been able to demonstrate their flexibility, skill and energy to resolve these issues. This has resulted in a very successful financial performance as a whole this year for the group. This has been supported within the service company by one of the strongest management teams in the industry who have the desire and the commitment to move the business and the brand forward.

There are no known risks or uncertainties facing the group.

The profit for the year after taxation and before minority interest amounted to £476,054.

DIVIDENDS

An interim dividend of 31.30435 per share was paid on 26 July 2011. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 July 2011 will be £313,043.

EVENTS SINCE THE END OF THE YEAR

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

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2010 to the date of this report.

T F Hoyland
Mrs M C Cook

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2011

EMPLOYEES

The importance of employee communication, consultation and involvement is fully recognised by the company. These are achieved by regular meetings at all levels, distribution of bulletins on matters of current interest and in-house news sheets.

It is the practice of the company to

- a) Give full and fair consideration to applications for employment by the company made by disabled persons having regards to their practical aptitude and abilities and,
- b) Continue the employment of, and arrange appropriate training for, employees who have become disabled during their employment with the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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


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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:


Mrs M C Cook - Secretary

Date 28/11/2011

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DOUGLAND HOLDINGS LIMITED

We have audited the financial statements of Dougland Holdings Limited for the year ended 31 July 2011 on pages five to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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 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 company's affairs as at 31 July 2011 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.



Mr Andrew Chapman (Senior Statutory Auditor)
for and on behalf of Leonard Gold
Statutory Auditor
Chartered Accountants
24 Landport Terrace
Portsmouth
Hampshire
PO1 2RG

Date 6 December 2011

DOUGLAND HOLDINGS LIMITED (REGISTERED NUMBER: 01218204)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2011

	Notes	2011 £	2010 £
TURNOVER		13,412,230	13,383,501
Cost of sales		9,774,871	10,018,818
GROSS PROFIT		3,637,359	3,364,683
Administrative expenses		2,937,654	2,697,909
OPERATING PROFIT	3	699,705	666,774
Interest receivable and similar income	4	4,380	2,703
		704,085	669,477
Interest payable and similar charges	5	29,321	31,474
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		674,764	638,003
Tax on profit on ordinary activities	6	198,710	177,367
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		476,054	460,636
Minority interest		137,664	137,696
RETAINED PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		338,390	322,940

CONTINUING OPERATIONS

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

The notes form part of these financial statements

DOUGLAND HOLDINGS LIMITED (REGISTERED NUMBER 01218204)

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 JULY 2011

	2011 £	2010 £
PROFIT FOR THE FINANCIAL YEAR	338,390	322,940
Realised profits on revaluation	-	12,272
Unrealised losses on revaluation	(32,008)	-
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	<u>306,382</u>	<u>335,212</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 JULY 2011

	2011 £	2010 £
REPORTED PROFIT		
ON ORDINARY ACTIVITIES BEFORE TAXATION	674,764	638,003
Difference between historical cost depreciation charge and actual depreciation charge for the year calculated on revalued amount	-	12,272
HISTORICAL COST PROFIT		
ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>674,764</u>	<u>650,275</u>
HISTORICAL COST PROFIT		
FOR THE YEAR RETAINED AFTER TAXATION, MINORITY INTERESTS AND DIVIDENDS	<u>25,347</u>	<u>68,545</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 JULY 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Intangible assets	9	14,878	22,317
Tangible assets	10	1,999,173	1,962,930
Investments	11	-	-
		<u>2,014,051</u>	<u>1,985,247</u>
CURRENT ASSETS			
Stocks	12	17,732	16,683
Debtors	13	2,145,203	1,908,736
Cash at bank and in hand		1,034,390	767,835
		<u>3,197,325</u>	<u>2,693,254</u>
CREDITORS			
Amounts falling due within one year	14	<u>2,789,510</u>	<u>2,305,296</u>
NET CURRENT ASSETS		<u>407,815</u>	<u>387,958</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,421,866</u>	<u>2,373,205</u>
CREDITORS			
Amounts falling due after more than one year	15	(118,200)	(78,663)
PROVISIONS FOR LIABILITIES	19	(54,499)	(19,856)
MINORITY INTERESTS	20	(356,738)	(375,596)
NET ASSETS		<u><u>1,892,429</u></u>	<u><u>1,899,090</u></u>
CAPITAL AND RESERVES			
Called up share capital	21	10,000	10,000
Revaluation reserve	22	572,839	604,847
Profit and loss account	22	1,309,590	1,284,243
SHAREHOLDERS' FUNDS	27	<u><u>1,892,429</u></u>	<u><u>1,899,090</u></u>

The financial statements were approved by the Board of Directors on
on its behalf by

28-11-2011

and were signed


T F Hoyland - Director


Mrs M C Cook - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
31 JULY 2011

	Notes	2011 £	£	2010 £	£
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		765,000		797,008
Investments	11		67		67
			<u>765,067</u>		<u>797,075</u>
CURRENT ASSETS					
Debtors	13	298		182	
Cash at bank		577,230		503,654	
		<u>577,528</u>		<u>503,836</u>	
CREDITORS					
Amounts falling due within one year	14	163,578		152,948	
				<u>152,948</u>	
NET CURRENT ASSETS			<u>413,950</u>		<u>350,888</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>1,179,017</u></u>		<u><u>1,147,963</u></u>
CAPITAL AND RESERVES					
Called up share capital	21		10,000		10,000
Revaluation reserve	22		572,839		604,847
Profit and loss account	22		596,178		533,116
SHAREHOLDERS' FUNDS	27		<u><u>1,179,017</u></u>		<u><u>1,147,963</u></u>

The financial statements were approved by the Board of Directors on **28-11-2011** and were signed on its behalf by


T F Hoyland - Director


Mrs M C Cook Director

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2011**

	Notes	2011 £	2010 £
Net cash inflow from operating activities	1	1,280,261	721,831
Returns on investments and servicing of finance	2	(24,941)	(28,771)
Taxation		(180,846)	(93,769)
Capital expenditure	2	(376,610)	(201,086)
Equity dividends paid		(469,565)	(333,334)
		<u>228,299</u>	<u>64,871</u>
Financing	2	34,469	(126,722)
Increase/(Decrease) in cash in the period		<u>262,768</u>	<u>(61,851)</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase/(Decrease) in cash in the period		262,768	(61,851)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(34,469)</u>	<u>126,722</u>
Change in net funds resulting from cash flows		<u>228,299</u>	<u>64,871</u>
Movement in net funds in the period		<u>228,299</u>	<u>64,871</u>
Net funds at 1 August		<u>539,923</u>	<u>475,052</u>
Net funds at 31 July		<u>768,222</u>	<u>539,923</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2011

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

	2011 £	2010 £
Operating profit	699,705	666,774
Depreciation charges	297,975	291,652
Loss on disposal of fixed assets	17,822	48,274
(Increase)/Decrease in stocks	(1,049)	7,314
(Increase)/Decrease in debtors	(236,467)	605,507
Increase/(Decrease) in creditors	502,275	(897,690)
Net cash inflow from operating activities	1,280,261	721,831

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

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	4,380	2,703
Interest paid	(6,723)	(7,722)
Interest element of hire purchase payments	(22,598)	(23,752)
Net cash outflow for returns on investments and servicing of finance	(24,941)	(28,771)
Capital expenditure		
Purchase of tangible fixed assets	(555,010)	(248,037)
Sale of tangible fixed assets	178,400	46,951
Net cash outflow for capital expenditure	(376,610)	(201,086)
Financing		
Capital repayments in year	34,469	(126,722)
Net cash inflow/(outflow) from financing	34,469	(126,722)

DOUGLAND HOLDINGS LIMITED (REGISTERED NUMBER: 01218204)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2011

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 8 10 £	Cash flow £	At 31 7 11 £
Net cash			
Cash at bank and in hand	767,835	266,555	1,034,390
Bank overdraft	-	(3,787)	(3,787)
	<u>767,835</u>	<u>262,768</u>	<u>1,030,603</u>
Debt			
Hire purchase	(193,451)	(68,930)	(262,381)
Debts falling due within one year	(27,944)	27,944	-
Debts falling due after one year	(6,517)	6,517	-
	<u>(227,912)</u>	<u>(34,469)</u>	<u>(262,381)</u>
Total	<u>539,923</u>	<u>228,299</u>	<u>768,222</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Basis of consolidation

The group financial statements comprise the financial statements of the company and all of its subsidiary undertakings. The accounting reference date of the company and all of its subsidiaries is 31 July each year. No profit or loss account is presented for Dougland Holdings Limited as permitted by Section 408 of the Companies Act 2006.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2003 by the group company, Cleaning Enterprises Limited, is being amortised evenly over its estimated useful life of ten years. The goodwill arising on the acquisition of Cleaning Enterprises Limited of £94,072 in 2003 has been written off in the year of acquisition.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Long leasehold property	- 2% on cost and over the term of the lease
Plant and machinery	- 33% on cost and 25% on reducing balance
Equipment	- 25% on reducing balance and 15% on reducing balance
Motor vehicles	- 33% on cost and 25% on reducing balance

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and depreciated over their useful lives.

Pension costs and other post-retirement benefits

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

2 STAFF COSTS

	2011 £	2010 £
Wages and salaries	8,983,395	9,200,146
Social security costs	646,004	636,697
Other pension costs	89,173	30,147
	<u>9,718,572</u>	<u>9,866,990</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

2 STAFF COSTS - continued

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

	2011	2010
Direct labour	658	888
Office and management	44	43
	<u>702</u>	<u>931</u>

The figures above include directors

3 OPERATING PROFIT

The operating profit is stated after charging

	2011 £	2010 £
Plant hire & waste disposal	141,416	126,280
Other operating leases	21,322	19,521
Depreciation - owned assets	290,537	284,213
Loss on disposal of fixed assets	17,822	48,274
Goodwill amortisation	7,439	7,439
Auditors' remuneration	13,088	16,384
Pension costs	89,173	30,147
Operating leases - land and buildings	<u>79,904</u>	<u>77,165</u>
Directors' remuneration	280,877	179,194
Directors' pension contributions to money purchase schemes	<u>9,000</u>	<u>5,000</u>

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

Money purchase schemes	<u>1</u>	<u>1</u>
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Included in depreciation - owned assets above is £80,623 (2010 £73,921) in respect of assets purchased under hire purchase agreements

The auditors remuneration was receivable for auditing the financial statements of Dougland Holdings Limited and Dougland Support Services Limited for the year ended 31 July 2011. In addition the auditors received £2,567 for other services to the group

Information regarding the highest paid director for the year ended 31 July 2011 is as follows

	2011 £
Emoluments etc	<u>239,388</u>

Directors' remuneration includes the sum of £113,000 which was paid to a human resources company. The payment was made in order that the human resources company could develop and implement a remuneration plan for the purposes of rewarding key employees of the company for their performance over a specified period. Following the receipt of appropriate tax advice, the HR company then settled the sum of £113,000 into an employee benefit trust.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	2011	2010
	£	£
Deposit account interest	4,371	2,701
Corporation tax interest	9	2
	<u>4,380</u>	<u>2,703</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2011	2010
	£	£
Bank interest	52	387
Loan interest	507	1,235
HMRC Interest	164	-
Loan fee	6,000	6,000
Penalty on late filing of CIS return	-	100
Hire purchase interest	22,598	23,752
	<u>29,321</u>	<u>31,474</u>

6 TAXATION**Analysis of the tax charge**

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

	2011	2010
	£	£
Current tax		
UK corporation tax	164,067	180,846
Deferred tax		
Depreciation of fixed assets	34,643	(3,479)
Tax on profit on ordinary activities	<u>198,710</u>	<u>177,367</u>

Factors affecting the tax charge

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

	2011	2010
	£	£
Profit on ordinary activities before tax	<u>674,764</u>	<u>638,003</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 27.330% (2010 - 28%)	184,413	178,641
Effects of		
Depreciation not deductible	2,187	8,474
Expenses not deductible	15,996	3,046
Removal of staff pension accrual carried forward/(brought forward)	1,366	(1,400)
Marginal relief	(3,390)	(2,647)
Difference in tax rates used on individual companies in the group	(1,862)	(5,268)
Deferred tax	<u>(34,643)</u>	<u>-</u>
Current tax charge	<u>164,067</u>	<u>180,846</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

6 TAXATION - continued

Factors that may affect future tax charges

No provision has been made for deferred tax on gains recognised on revaluation of a property to its market value. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The amount unprovided is £12,182.

7 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £376,105 (2010 - £180,919).

8 DIVIDENDS

	2011 £	2010 £
Ordinary shares of £1 each		
Interim	<u>313,043</u>	<u>266,667</u>

9 INTANGIBLE FIXED ASSETS

Group

COST

At 1 August 2010
and 31 July 2011

Goodwill
£

168,462

AMORTISATION

At 1 August 2010
Amortisation for year

146,145
7,439

At 31 July 2011

153,584

NET BOOK VALUE

At 31 July 2011

14,878

At 31 July 2010

22,317

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

10 TANGIBLE FIXED ASSETS**Group**

	Long leasehold property £	Plant and machinery £	Equipment £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 August 2010	1,093,477	1,442,866	270,523	895,139	3,702,005
Additions	-	258,125	2,607	294,278	555,010
Disposals	-	(87,054)	(8,693)	(407,610)	(503,357)
Revaluations	(100,000)	-	-	-	(100,000)
At 31 July 2011	993,477	1,613,937	264,437	781,807	3,653,658
DEPRECIATION					
At 1 August 2010	73,548	1,077,631	161,709	426,187	1,739,075
Charge for year	564	126,517	16,396	147,060	290,537
Eliminated on disposal	-	(55,445)	(7,357)	(244,333)	(307,135)
Revaluation adjustments	(67,992)	-	-	-	(67,992)
At 31 July 2011	6,120	1,148,703	170,748	328,914	1,654,485
NET BOOK VALUE					
At 31 July 2011	987,357	465,234	93,689	452,893	1,999,173
At 31 July 2010	1,019,929	365,235	108,814	468,952	1,962,930

Included in fixed assets are items held under hire purchase contracts with net book values of £348,893 (2010 £283,843) and depreciation charged in the year of £80,623 (2010 £73,921)

Cost or valuation at 31 July 2011 is represented by

	Long leasehold property £	Plant and machinery £	Equipment £	Motor vehicles £	Totals £
Valuation in 2000	151,789	-	-	-	151,789
Valuation in 2006	400,597	-	-	-	400,597
Valuation in 2011	(100,000)	-	-	-	(100,000)
Cost	541,091	1,613,937	264,437	781,807	3,201,272
	993,477	1,613,937	264,437	781,807	3,653,658

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

10 TANGIBLE FIXED ASSETS - continued

Company

	Long leasehold property £
COST OR VALUATION	
At 1 August 2010	865,000
Revaluations	(100,000)
At 31 July 2011	<u>765,000</u>
DEPRECIATION	
At 1 August 2010	67,992
Revaluation adjustments	(67,992)
At 31 July 2011	<u>-</u>
NET BOOK VALUE	
At 31 July 2011	<u>765,000</u>
At 31 July 2010	<u>797,008</u>

Cost or valuation at 31 July 2011 is represented by

	Long leasehold property £
Valuation in 2000	151,789
Valuation in 2006	400,597
Valuation in 2011	(100,000)
Cost	<u>312,614</u>
	<u>765,000</u>

If long leasehold property had not been revalued it would have been included at the following historical cost

	2011 £	2010 £
Cost	<u>312,614</u>	<u>312,614</u>
Aggregate depreciation	<u>115,181</u>	<u>110,455</u>

Long leasehold property was valued on an existing use basis on 18 October 2011 by Daniells Harrison Chartered Surveyors

The directors are not aware of any material change in value of the property since the revaluation and thus there are no changes to the amount carried in the balance sheet

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011**

11 FIXED ASSET INVESTMENTS

Company

	Unlisted investments £
COST	
At 1 August 2010 and 31 July 2011	67
NET BOOK VALUE	
At 31 July 2011	67
At 31 July 2010	67

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

Dougland Support Services Limited

Nature of business Industrial cleaning

	%
Class of shares	holding
Ordinary	66 67

This subsidiary has been included in the consolidated financial statements

The following investment is owned and controlled by Dougland Support Services Limited at the balance sheet date

Cleaning Enterprises Limited

Nature of business Dormant

	%
Class of shares	holding
Ordinary	100 00

This subsidiary has been included in the consolidated financial statements

12 STOCKS

	Group	
	2011 £	2010 £
Stock	17,732	16,683

13 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Trade debtors	1,960,014	1,851,599	-	-
Other debtors	25,447	18,589	-	-
Prepayments and accrued income	159,742	38,548	298	182
	<u>2,145,203</u>	<u>1,908,736</u>	<u>298</u>	<u>182</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts (see note 16)	3,787	27,944	-	-
Hire purchase contracts (see note 17)	144,181	121,305	-	-
Trade creditors	495,733	431,396	-	-
Corporation tax	164,067	180,846	18,068	15,838
Social security and other taxes	738,010	507,455	-	-
Other creditors	530,336	531,719	-	-
Amount due to subsidiary	-	-	140,333	133,333
Directors' loan accounts	611,491	413,054	-	-
Accruals and deferred income	101,905	91,577	5,177	3,777
	<u>2,789,510</u>	<u>2,305,296</u>	<u>163,578</u>	<u>152,948</u>

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2011	2010
	£	£
Bank loans (see note 16)	-	6,517
Hire purchase contracts (see note 17)	118,200	72,146
	<u>118,200</u>	<u>78,663</u>

16 LOANS

An analysis of the maturity of loans is given below

	Group	
	2011	2010
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	3,787	-
Bank loan	-	27,944
	<u>3,787</u>	<u>27,944</u>
Amounts falling due between one and two years		
Bank loan - 1-2 years	-	6,517
	<u>-</u>	<u>6,517</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

17 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**Group**

	Hire purchase contracts	
	2011 £	2010 £
Gross obligations repayable		
Within one year	157,882	133,094
Between one and five years	128,978	79,028
	<u>286,860</u>	<u>212,122</u>
Finance charges repayable		
Within one year	13,701	11,789
Between one and five years	10,778	6,882
	<u>24,479</u>	<u>18,671</u>
Net obligations repayable		
Within one year	144,181	121,305
Between one and five years	118,200	72,146
	<u>262,381</u>	<u>193,451</u>

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

Group

	Land and buildings		Other operating leases	
	2011 £	2010 £	2011 £	2010 £
Expiring				
Within one year	-	-	1,104	240
Between one and five years	12,000	11,000	7,274	7,274
In more than five years	69,360	69,360	-	-
	<u>81,360</u>	<u>80,360</u>	<u>8,378</u>	<u>7,514</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

18 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	2011	2010
	£	£
Bank overdraft	3,787	-
Bank loans	-	34,461
Hire purchase contracts	262,381	193,451
	<u>266,168</u>	<u>227,912</u>

Hire purchase contracts are secured on the assets concerned

The bank loan is secured on a long leasehold property

19 PROVISIONS FOR LIABILITIES

	Group	
	2011	2010
	£	£
Deferred tax		
Depreciation of fixed assets	54,499	19,856
	<u>54,499</u>	<u>19,856</u>

Group

	Deferred tax £
Balance at 1 August 2010	19,856
Depreciation of fixed assets	34,643
Balance at 31 July 2011	<u>54,499</u>

20 MINORITY INTERESTS

Minority interests at 31 July 2011 is the minority's interest in the capital and reserves of the subsidiary, Dougland Support Services Limited

21 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid					
Number	Class	Nominal value	2011	2010	
			£	£	
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

22 RESERVES**Group**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 August 2010	1,284,243	604,847	1,889,090
Profit for the year	338,390		338,390
Dividends	(313,043)		(313,043)
Transfer of unrealised losses	-	(32,008)	(32,008)
At 31 July 2011	<u>1,309,590</u>	<u>572,839</u>	<u>1,882,429</u>

Company

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 August 2010	533,116	604,847	1,137,963
Profit for the year	376,105		376,105
Dividends	(313,043)		(313,043)
Transfer of unrealised losses	-	(32,008)	(32,008)
At 31 July 2011	<u>596,178</u>	<u>572,839</u>	<u>1,169,017</u>

23 TRANSACTIONS WITH DIRECTORS

During the year the subsidiary company, Dougland Support Services Limited, sold a motor vehicle to one of its directors, Mr T F Hoyland, for £51,000, a value which was agreed as open market value at the date of sale

At the year end date the balance of loans from the directors of Dougland Support Services Limited, a subsidiary of Dougland Holdings Limited, to Dougland Support Services Limited were £417,610 (2010 £262,918) from Mr T F Hoyland and £193,881 (2010 £150,136) from Mr B B Richards. The directors paid an additional £154,692 and £43,746 respectively to the company during the year. Neither loan account was overdrawn during the year.

24 RELATED PARTY DISCLOSURES

During the year dividends of £313,043 were paid to Mr T F Hoyland, a director of Dougland Holdings Limited.

During the year the company provided monies to fund the working capital of Dougland Support Services Limited, its subsidiary company. These loans were made periodically throughout the year with no more than £325,000 outstanding at any one time. Interest of £5,648 was paid in respect of these loans during the year and at the balance sheet date the loans had been repaid in their entirety.

25 POST BALANCE SHEET EVENTS

The financial statements take into consideration events occurring between 31 July 2011 and the date of approval by the board of directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2011

26 ULTIMATE CONTROLLING PARTY

Mr T F Hoyland, a director of Dougland Holdings Limited, is the controlling party of the company and the group

27 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2011 £	2010 £
Profit for the financial year	338,390	322,940
Dividends	(313,043)	(266,667)
	<hr/> 25,347	<hr/> 56,273
Other recognised gains and losses relating to the year (net)	(32,008)	12,272
Transfer from Revaluation reserve	-	(12,272)
	<hr/> (6,661)	<hr/> 56,273
Net (reduction)/addition to shareholders' funds	1,899,090	1,842,817
Opening shareholders' funds		
	<hr/> 1,892,429	<hr/> 1,899,090
Closing shareholders' funds		

Company

	2011 £	2010 £
Profit for the financial year	376,105	180,919
Dividends	(313,043)	(266,667)
	<hr/> 63,062	<hr/> (85,748)
Other recognised gains and losses relating to the year (net)	(32,008)	-
	<hr/> 31,054	<hr/> (85,748)
Net addition/(reduction) to shareholders' funds	1,147,963	1,233,711
Opening shareholders' funds		
	<hr/> 1,179,017	<hr/> 1,147,963
Closing shareholders' funds		