

Registration number: 01546128

# Muubaa Limited

Annual Report and Financial Statements

for the Year Ended 31 January 2014

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**Muubaa Limited**  
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**Muubaa Limited**  
**Company Information**

<b>Directors</b>	Mr Wallace Sacks Mr Stephen Sacks Ms Christiana Nicolaou Mr Keith John Watson Mr Fraser Harper
<b>Company secretary</b>	Mr Stephen Sacks
<b>Registered office</b>	The Leather Shed Unit 58 Millmead Industrial Centre Mill Mead Road London N17 9QU
<b>Auditors</b>	A-spire Business Partners Ltd Chartered Accountants & Registered Auditors 32 Byron Hill Road Harrow on the Hill Middlesex HA2 0HY

**Muubaa Limited**  
**Strategic Report for the Year Ended 31 January 2014**

The directors present their strategic report for the year ended 31 January 2014.

**Business review**

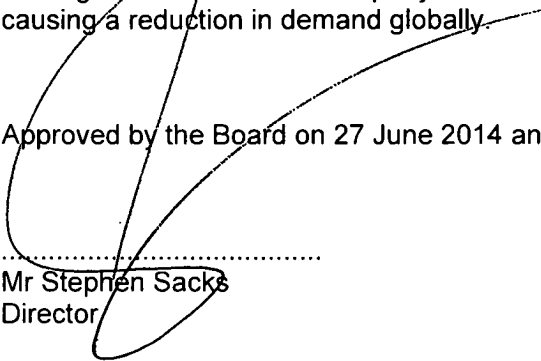
***Fair review of the business***

The business has continued to grow the reputation and reknown of its brand Muubaa throughout the world. It now has a wide range of clients throughout the world including exclusive department stores, retail chains and independent boutiques in most major cities. The Board are confident that the brand can continue to expand within these markets and establish Muubaa as a global brand within its niche.

***Principal risks and uncertainties***

Principal risks and uncertainties are that raw material commodity prices continue to inflate making it harder for the company to make affordable products and worldwide depression causing a reduction in demand globally.

Approved by the Board on 27 June 2014 and signed on its behalf by:



.....  
Mr Stephen Sacks  
Director

**Muubaa Limited**  
**Directors' Report for the Year Ended 31 January 2014**

The directors present their report and the financial statements for the year ended 31 January 2014.

**Directors of the company**

The directors who held office during the year were as follows:

Mr Wallace Sacks

Mr Stephen Sacks

Ms Christiana Nicolaou

Mr Keith John Watson

Mr Victor Rosenberg (appointed 16 July 2013 and resigned 22 April 2014)

Mr Fraser Harper (appointed 13 August 2013)

**Financial instruments**

***Objectives and policies***

The objectives and policies of the business are that the company concentrates on its niche and consolidates its position as the worlds leading contemporary ladies leather fashion brand.

***Price risk, credit risk, liquidity risk and cash flow risk***

The company's principal foreign exchange exposure arises from trading with overseas companies. The company permits but does not demand that these exposures be hedged in order to fix the cost of sterling. This hedging activity involves matching buying and selling in different currencies where possible.

**Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Approved by the Board on 27 June 2014 and signed on its behalf by:

  
.....  
Mr Stephen Sacks  
Director

**Muubaa Limited**  
**Statement of Directors' Responsibilities**

The directors are responsible for preparing the 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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.

## **Independent Auditor's Report to the Members of Muubaa Limited**

We have audited the financial statements of Muubaa Limited for the year ended 31 January 2014, set out on pages 7 to 22. 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 Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

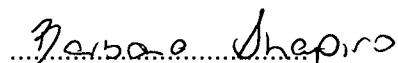
**Independent Auditor's Report to the Members of  
Muubaa Limited**

*..... continued*

**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.



Barbara Shapiro (Senior Statutory Auditor)

For and on behalf of A-spire Business Partners Ltd, Statutory Auditor

32 Byron Hill Road  
Harrow on the Hill  
Middlesex  
HA2 0HY

1 July 2014



**Muubaa Limited**  
**Profit and Loss Account for the Year Ended 31 January 2014**

	<b>Note</b>	<b>2014 £</b>	<b>2013 £</b>
Turnover	2	6,897,000	5,976,798
Cost of sales		<u>(3,957,210)</u>	<u>(3,536,492)</u>
Gross profit		2,939,790	2,440,306
Distribution costs		(902,707)	(770,905)
Administrative expenses		(1,723,069)	(1,521,708)
Other operating income		<u>2,347</u>	<u>3,636</u>
Operating profit	3	316,361	151,329
Loss on sale or termination of operations	4	(16,673)	-
Other interest receivable and similar income	7	1,805	1,014
Interest payable and similar charges	8	<u>(59,085)</u>	<u>(54,113)</u>
Profit on ordinary activities before taxation		242,408	98,230
Tax on profit on ordinary activities	9	<u>(53,248)</u>	<u>(11,311)</u>
Profit for the financial year	18	<u>189,160</u>	<u>86,919</u>

Turnover and operating profit derive wholly from continuing operations.

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

**Muubaa Limited**  
**Balance Sheet at 31 January 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Intangible fixed assets	10	23,165	5,287
Tangible fixed assets	11	88,351	95,813
		<u>111,516</u>	<u>101,100</u>
<b>Current assets</b>			
Stocks	12	1,856,295	1,635,659
Debtors	13	2,088,387	1,979,161
Cash at bank and in hand		107,623	370,017
		<u>4,052,305</u>	<u>3,984,837</u>
Creditors: Amounts falling due within one year	14	(2,458,266)	(2,563,493)
Net current assets		<u>1,594,039</u>	<u>1,421,344</u>
Total assets less current liabilities		1,705,555	1,522,444
Creditors: Amounts falling due after more than one year	15	-	(6,395)
Provisions for liabilities	16	(16,267)	(15,921)
Net assets		<u>1,689,288</u>	<u>1,500,128</u>
<b>Capital and reserves</b>			
Called up share capital	17	115,790	115,790
Share premium account	18	244,210	244,210
Profit and loss account	18	1,329,288	1,140,128
Shareholders' funds	19	<u>1,689,288</u>	<u>1,500,128</u>

Approved and authorised for issue by the Board on 27 June 2014 and signed on its behalf by:

.....  
Mr Stephen Sacks  
Director

**Muubaa Limited**  
**Cash Flow Statement for the Year Ended 31 January 2014**

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

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Operating profit	316,361	151,329
Depreciation, amortisation and impairment charges	27,013	27,060
Increase in stocks	(220,636)	(357,133)
(Increase)/decrease in debtors	(170,994)	323,240
Increase in creditors	204,934	79,155
Net cash inflow from operating activities	<u>156,678</u>	<u>223,651</u>

**Cash flow statement**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Net cash inflow from operating activities	<u>156,678</u>	<u>223,651</u>
<b>Returns on investments and servicing of finance</b>		
Interest received	1,805	1,014
HP and finance lease interest	(1,150)	(1,629)
Interest paid	(57,935)	(52,484)
	<u>(57,280)</u>	<u>(53,099)</u>
Taxation paid	<u>(12,785)</u>	<u>(5,837)</u>
<b>Capital expenditure and financial investment</b>		
Purchase of intangible fixed assets	(21,244)	(6,102)
Purchase of tangible fixed assets	(16,185)	(22,339)
	<u>(37,429)</u>	<u>(28,441)</u>
<b>Acquisitions and disposals</b>		
Disposal of investments in subsidiary undertakings	(16,673)	-
Net cash inflow before management of liquid resources and financing	<u>32,511</u>	<u>136,274</u>
<b>Financing</b>		
Issue of shares	-	250,000
Repayment of capital element of finance leases and HP contracts	(2,283)	9,808
	<u>(2,283)</u>	<u>259,808</u>
Increase in cash	<u>30,228</u>	<u>396,082</u>

The notes on pages 11 to 22 form an integral part of these financial statements.

**Muubaa Limited**

**Cash Flow Statement for the Year Ended 31 January 2014**

**..... continued**

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

	<b>Note</b>	<b>2014 £</b>	<b>2013 £</b>
Increase in cash		30,228	396,082
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		<u>2,283</u>	<u>(9,808)</u>
Change in net debt resulting from cash flows	22	<u>32,511</u>	<u>386,274</u>
 Movement in net debt	 22	 32,511	 386,274
Net debt at 1 February	22	<u>(993,562)</u>	<u>(1,379,836)</u>
Net debt at 31 January	22	<u><u>(961,051)</u></u>	<u><u>(993,562)</u></u>

The notes on pages 11 to 22 form an integral part of these financial statements.

**Muubaa Limited**  
**Notes to the Financial Statements for the Year Ended 31 January 2014**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention.

**Turnover**

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

**Amortisation**

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Patents	20% straight line

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings leasehold	Over duration of the lease
Plant and machinery	25% reducing balance basis
Fixtures, fittings and equipment	20% reducing balance basis
Motor vehicles	25% reducing balance basis

**Research and development**

Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

**Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

**Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

## **Muubaa Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2014**

**..... continued**

#### **Foreign currency**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

#### **Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

#### **Pensions**

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

# Muubaa Limited

## Notes to the Financial Statements for the Year Ended 31 January 2014

..... continued

### 2 Turnover

During the year 70.13% of the company's turnover related to exports (2013 - 80.96%).

An analysis of turnover by geographical location is given below:

	2014 £	2013 £
Sales - UK	2,056,314	1,105,223
Sales - Europe	2,841,412	2,960,785
Sales - Rest of world	1,986,731	1,738,191
	<u>6,884,457</u>	<u>5,804,199</u>
Other sales income	12,543	172,599
Turnover	<u>6,897,000</u>	<u>5,976,798</u>

An analysis of turnover by class of business is given below:

	2014 £	2013 £
Business segment 1	6,930,555	5,860,478
	<u>6,884,457</u>	<u>5,804,199</u>
Other sales income	12,543	172,599
Turnover	<u>6,897,000</u>	<u>5,976,798</u>

### 3 Operating profit

Operating profit is stated after charging:

	2014 £	2013 £
Operating leases - plant and machinery	17,258	-
Operating leases - other assets	16,994	11,464
Auditor's remuneration - The audit of the company's annual accounts	6,000	8,000
Foreign currency (gains)/losses	(17,482)	228,375
Depreciation of owned assets	23,646	26,245
Amortisation	<u>3,367</u>	<u>815</u>

# Muubaa Limited

## Notes to the Financial Statements for the Year Ended 31 January 2014

..... continued

### 4 Exceptional items

	2014 £	2013 £
(Profit) / loss on termination of operation	<u>16,673</u>	<u>-</u>

### 5 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2014 No.	2013 No.
Administration and support	16	11
Sales, marketing and distribution	<u>6</u>	<u>6</u>
	<u>22</u>	<u>17</u>

The aggregate payroll costs were as follows:

	2014 £	2013 £
Wages and salaries	730,586	642,810
Social security costs	78,793	71,083
Staff pensions	<u>3,810</u>	<u>3,848</u>
	<u>813,189</u>	<u>717,741</u>

### 6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014 £	2013 £
Remuneration (including benefits in kind)	270,464	242,455
Company contributions paid to money purchase schemes	<u>2,400</u>	<u>1,300</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:



**Muubaa Limited**

**Notes to the Financial Statements for the Year Ended 31 January 2014**

..... *continued*

	2014 No.	2013 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>1</u>

In respect of the highest paid director:

	2014 £	2013 £
Remuneration	102,600	93,000
Company contributions to money purchase pension schemes	<u>1,650</u>	<u>-</u>

**7 Other interest receivable and similar income**

	2014 £	2013 £
Bank interest receivable	-	1
Other interest receivable	<u>1,805</u>	<u>1,013</u>
	<u>1,805</u>	<u>1,014</u>

**8 Interest payable and similar charges**

	2014 £	2013 £
Interest on bank borrowings	19,930	24,143
Interest on other loans	29,804	16,501
Other interest payable	8,201	11,840
Finance charges	<u>1,150</u>	<u>1,629</u>
	<u>59,085</u>	<u>54,113</u>

**Muubaa Limited**

**Notes to the Financial Statements for the Year Ended 31 January 2014**

..... *continued*

**9 Taxation**

**Tax on profit on ordinary activities**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
Corporation tax charge	52,902	12,786
<b>Deferred tax</b>		
Origination and reversal of timing differences	346	(1,475)
<b>Total tax on profit on ordinary activities</b>	<u>53,248</u>	<u>11,311</u>

**Factors affecting current tax charge for the year**

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

The differences are reconciled below:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<u>242,408</u>	<u>98,230</u>
Corporation tax at standard rate	48,482	19,646
Capital allowances	(4,011)	(2,716)
Disallowable expenses	368	248
Depreciation add back	4,729	5,412
Chargeable loss	3,334	-
Utilisation of losses brought forward	-	(9,804)
<b>Total current tax</b>	<u>52,902</u>	<u>12,786</u>

**Muubaa Limited**

**Notes to the Financial Statements for the Year Ended 31 January 2014**

..... *continued*

**10 Intangible fixed assets**

	<b>Patents £</b>	<b>Website £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 February 2013	6,102	-	6,102
Additions	17,644	3,600	21,244
At 31 January 2014	<u>23,746</u>	<u>3,600</u>	<u>27,346</u>
<b>Amortisation</b>			
At 1 February 2013	815	-	815
Charge for the year	3,366	-	3,366
At 31 January 2014	<u>4,181</u>	<u>-</u>	<u>4,181</u>
<b>Net book value</b>			
At 31 January 2014	<u>19,565</u>	<u>3,600</u>	<u>23,165</u>
At 31 January 2013	<u>5,287</u>	<u>-</u>	<u>5,287</u>

**Muubaa Limited**

**Notes to the Financial Statements for the Year Ended 31 January 2014**

..... continued

**11 Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 February 2013	25,733	318,787	13,584	358,104
Additions	-	16,185	-	16,185
At 31 January 2014	<u>25,733</u>	<u>334,972</u>	<u>13,584</u>	<u>374,289</u>
<b>Depreciation</b>				
At 1 February 2013	15,046	242,717	4,528	262,291
Charge for the year	2,672	16,447	4,528	23,647
At 31 January 2014	<u>17,718</u>	<u>259,164</u>	<u>9,056</u>	<u>285,938</u>
<b>Net book value</b>				
At 31 January 2014	<u>8,015</u>	<u>75,808</u>	<u>4,528</u>	<u>88,351</u>
At 31 January 2013	<u>10,687</u>	<u>76,070</u>	<u>9,056</u>	<u>95,813</u>

**Leased assets**

Included within the net book value of tangible fixed assets is £4,528 (2013 - £9,056) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £4,528 (2013 - £4,528).

**12 Stocks**

	2014 £	2013 £
Finished goods	<u>1,856,295</u>	<u>1,635,659</u>

**13 Debtors**

	2014 £	2013 £
Trade debtors	2,023,790	1,690,542
Other debtors	24,535	200,820
Prepayments and accrued income	<u>40,062</u>	<u>87,799</u>
	<u>2,088,387</u>	<u>1,979,161</u>

**Muubaa Limited**

**Notes to the Financial Statements for the Year Ended 31 January 2014**

..... *continued*

Factored debtors included within trade debtors amount to £1,266,070.

**14 Creditors: Amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	689,968	784,534
Bank loans and overdrafts	1,061,149	1,353,771
Obligations under finance lease and hire purchase contracts	7,525	3,413
Corporation tax	52,902	12,785
Other taxes and social security	24,438	22,124
Other creditors	546,293	301,175
Accruals and deferred income	75,991	85,691
	<u>2,458,266</u>	<u>2,563,493</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	1,061,149	1,554,410
The loans and overdrafts are secured by way of fixed and floating charges over all the assets of the company		

**15 Creditors: Amounts falling due after more than one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Obligations under finance lease and hire purchase contracts	<u>-</u>	<u>6,395</u>

**Obligations under finance leases and HP contracts**

**Amounts repayable:**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
In one year or less on demand	7,525	3,413
Between one and two years	<u>-</u>	<u>6,395</u>
	<u>7,525</u>	<u>9,808</u>

**Muubaa Limited**

**Notes to the Financial Statements for the Year Ended 31 January 2014**

..... *continued*

**16 Provisions**

	<b>Deferred tax £</b>	<b>Total £</b>
At 1 February 2013	15,921	15,921
Charged to the profit and loss account	<u>346</u>	<u>346</u>
At 31 January 2014	<u><u>16,267</u></u>	<u><u>16,267</u></u>

**Analysis of deferred tax**

	<b>2014 £</b>	<b>2013 £</b>
Difference between accumulated depreciation and amortisation and capital allowances	<u><u>16,267</u></u>	<u><u>15,921</u></u>

**17 Share capital**

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

	<b>2014</b>		<b>2013</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	<u>115,790</u>	<u>115,790</u>	<u>115,790</u>	<u>115,790</u>

**18 Reserves**

	<b>Share premium account £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 February 2013	244,210	1,140,128	1,384,338
Profit for the year	<u>-</u>	<u>189,160</u>	<u>189,160</u>
At 31 January 2014	<u><u>244,210</u></u>	<u><u>1,329,288</u></u>	<u><u>1,573,498</u></u>

# Muubaa Limited

## Notes to the Financial Statements for the Year Ended 31 January 2014

..... continued

### 19 Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Profit attributable to the members of the company	189,160	86,919
New share capital subscribed	-	250,000
Net addition to shareholders' funds	189,160	336,919
Shareholders' funds at 1 February	1,500,128	1,163,209
Shareholders' funds at 31 January	1,689,288	1,500,128

### 20 Pension schemes

#### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £3,810 (2013 - £3,848).

Contributions totalling £nil (2013 - £676) were payable to the scheme at the end of the year and are included in creditors.

### 21 Commitments

#### Operating lease commitments

As at 31 January 2014 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2014 £	2013 £
<b>Land and buildings</b>		
Within one year	-	25,000
Within two and five years	26,875	22,917
	26,875	47,917
<b>Other</b>		
Within two and five years	18,352	-

# Muubaa Limited

## Notes to the Financial Statements for the Year Ended 31 January 2014

..... continued

### 22 Analysis of net debt

	At 1 February 2013 £	Cash flow £	At 31 January 2014 £
Cash at bank and in hand	370,017	(262,394)	107,623
Bank overdraft	(1,353,771)	292,622	(1,061,149)
	(983,754)	30,228	(953,526)
Finance leases and hire purchase contracts	(9,808)	2,283	(7,525)
Net debt	(993,562)	32,511	(961,051)

### 23 Related party transactions

#### Other related party transactions

During the year the company made the following related party transactions:

#### S Sacks

(Director and shareholder)

Mr Sacks has personally guaranteed the loan from Thin Cats, which was £460,458 at the end of the period. At the balance sheet date the amount due to S Sacks was £nil (2013 - £nil).

### 24 Control

The company is controlled by the directors who own 71% of the called up share capital.