

COMPANY REGISTRATION NUMBER 02553654

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2013**

MONDAY



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**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

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**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr J P Bevan
Mr G D Evans
Mr S D Hudd
Cllr D Sage
Mr C M Richards
Cllr P Cannon
Mr R James
Mr N Chhabria
Mrs J K S Jones
Mr H W Davies
Mr D R H James
Mr J P Sheppard
Mr W D Snowdon
Mr K Thomas
Mrs J Gage
Mr M J Matthews
Mr R G Thomas
Mrs J Griffiths
Mrs E Burnett
Ms C M Chamberlain

Registered office

Enterprise Centre
Bryn Road
Tondur
Bridgend
CF32 9BS

Auditor

Clay Shaw Thomas Ltd
Chartered Accountants
& Statutory Auditor
2 Oldfield Road
Bocam Park
Bridgend
CF35 5LJ

Bankers

National Westminster Bank Plc
28 Adare Street
Bridgend
CF31 1EN

Solicitors

Geldards LLP
1 Dumfries House
Dumfries Place
Cardiff

Eversheds LLP
1 Callaghan Square
Cardiff
CF10 5BT

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2013

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2013

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal objectives are to stimulate and promote the creation of new enterprises, to provide assistance to help existing firms to expand, and to add to the economic well-being of the community. The company is an approved local enterprise agency and all profits are re-invested into the company for the pursuance of its objectives.

The company achieves this by two primary means: the provision of advice and training to individuals and businesses, and the provision of accommodation for businesses.

A key feature of the year was the company's first activity in Swansea, on both the advisory and property fronts.

During the year, in partnership with others, the company delivered the Welsh Government's Business Start Up Programme in South East and South West Wales. The economic conditions continued to provide a challenging environment for the delivery of this contract which the company took steps to address.

The company also delivered, again in partnership, the Welsh Government's Regional Centre Service (RCS) to existing businesses in South East and South West Wales. The contracts were concluded successfully at 31 December 2012.

During the year the Welsh Government put the advisory service to existing businesses out to tender as Business Wales, a one stop shop for business advice across the whole of Wales. Business in Focus led a consortium of four companies which successfully won the tender and commenced delivery on 1 January 2013.

The company's property portfolio continued to perform strongly during the year, with improved letting levels across all sites, most significantly in respect of the new property in Swansea.

This was another successful year for the company, with important new relationships, investments and key contracts to support the business community of Wales.

During the year Gareth Bray stepped down as Chief Executive after more than 20 years successful leadership of the company. His successor Katy Chamberlain joined the company on 1 November 2012.

RESULTS

The profit for the year, after taxation, amounted to £160,633. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's operations expose it to a variety of financial risks that include the effects of changes in market prices, credit risk and interest rate risk. The company has in place a risk management programme that seeks to limit adverse effects on the financial performance of the company. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department. The company does not use derivative financial instruments for speculative purposes.

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

DIRECTORS

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

Mr J P Bevan
Mr G Bray
Mr G D Evans
Mr S D Hudd
Cllr R L Traherne
Cllr D Sage
Cllr N McEvoy
Mr C M Richards
Cllr P Cannon
Mr R James
Mr N Chhabra
Mrs J K S Jones
Mr H W Davies
Mr D R H James
Mr J P Sheppard
Mr W D Snowdon
Mr K Thomas
Mrs J Gage
Mr M J Matthews
Mr R G Thomas
Mrs J Griffiths
Mrs E Burnett
Ms C M Chamberlain

Mrs E Burnett was appointed as a director on 23 May 2012

Ms C M Chamberlain was appointed as a director on 1 November 2012

Mr G Bray retired as a director on 25 September 2012

Cllr R L Traherne retired as a director on 29 May 2012

Cllr N McEvoy retired as a director on 31 May 2012

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 year.

In preparing those 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
-

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

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 aware:

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

AUDITOR

Clay Shaw Thomas Ltd are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office
Enterprise Centre
Bryn Road
Tondur
Bridgend
CF32 9BS

Signed on behalf of the directors



Ms C M Chamberlain
Director

Approved by the directors on

30 July 2013

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT AUDITOR'S REPORT TO BUSINESS IN FOCUS LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, together with the financial statements of Business in Focus Limited for the year ended 31 March 2013 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

JBt

JAMES BURNETT ACA ACCA (Senior
Statutory Auditor)
For and on behalf of
CLAY SHAW THOMAS LTD
Chartered Accountants
& Statutory Auditor

2 Oldfield Road
Bocam Park
Bridgend
CF35 5LJ

16/10/2013

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2013

	Note	2013 £	2012 £
TURNOVER		4,129,374	3,109,540
Cost of Sales and Other operating income		1,477,215	1,011,488
Administrative expenses		2,310,283	1,780,689
OPERATING PROFIT	2	341,876	317,363
Interest payable and similar charges	5	171,041	133,481
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		170,835	183,882
Tax on profit on ordinary activities	6	10,202	(17,185)
PROFIT FOR THE FINANCIAL YEAR		160,633	201,067

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 9 to 17 form part of these abbreviated accounts.

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

ABBREVIATED BALANCE SHEET

31 MARCH 2013

	Note	2013 £	£	2012 £	£
FIXED ASSETS					
Tangible assets	7		9,828,313		9,761,244
Investments	8		1		1
			<u>9,828,314</u>		<u>9,761,245</u>
CURRENT ASSETS					
Debtors	9	963,814		506,621	
Cash at bank and in hand		<u>118</u>		<u>33,372</u>	
		963,932		539,993	
CREDITORS: Amounts falling due within one year	10	<u>1,150,793</u>		<u>634,357</u>	
NET CURRENT LIABILITIES			(186,861)		(94,364)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,641,453</u>		<u>9,666,881</u>
CREDITORS: Amounts falling due after more than one year	11		2,040,250		2,140,360
Government grants	13		1,431,129		1,517,080
			<u>6,170,074</u>		<u>6,009,441</u>
RESERVES	15				
Revaluation reserve			4,277,600		4,277,600
Profit and loss account	16		1,892,474		1,731,841
MEMBERS' FUNDS			<u>6,170,074</u>		<u>6,009,441</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on . 30 July 2013
and are signed on their behalf by

MR G D EVANS
Director

MS C M CHAMBERLAIN
Director

Company Registration Number 02553654

The notes on pages 9 to 17 form part of these abbreviated accounts.

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2013

		2013	2012
	Note	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	17	260,226	73,527
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	17	(171,041)	(133,481)
TAXATION	17	17,174	(27,952)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	17	(115,669)	(768,997)
CASH OUTFLOW BEFORE FINANCING		(9,310)	(856,903)
FINANCING	17	(35,560)	695,647
DECREASE IN CASH	17	(44,870)	(161,256)

The notes on pages 9 to 17 form part of these abbreviated accounts.

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

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

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year, in relation to property rentals and business support services, exclusive of VAT

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant & Machinery	- 10% - 33 33% per annum
Fixtures & Fittings	- 10% - 33 33% per annum
Building refurbishment and enhancement	- 10% per annum

Investment properties

In accordance with Statement of Standard Accounting Practice No 19, the company's properties are held for long-term investment and are valued annually by the Board and every five years valued externally by a professional valuer. The surplus on revaluation of such properties are transferred to the investment property revaluation reserve, and deficits are written off to the profit and loss account.

The policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider this policy is necessary in order that the accounts may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

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. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

1 ACCOUNTING POLICIES *(continued)*

Pension costs

The company operates a defined contribution pension scheme for the employees. The contributions payable for the year are charged to the Profit and Loss Account.

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 will result in an obligation to pay more, or a right to pay less or to receive more tax.

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

Deferred tax assets are recognised by the company to the extent that they are regarded as recoverable. The assets are regarded as recoverable to the extent that the company forecasts future profits from which the reversal can take place.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Capitalisation of interest

Interest on capital borrowed directly attributable to finance the construction of properties is capitalised and included within the cost or valuation in the Balance Sheet. Interest is no longer capitalised when the properties are physically completed and available for rent.

Deferred income

Government grants relating to capital expenditure are held as deferred income in the balance sheet and are released to the profit and loss account over their useful economic life on completion of the claw back period.

Government grants of a revenue nature are credited to the profit and loss account in the same period as the related expenditure.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2013	2012
	£	£
Amortisation of government grants re fixed assets	(90,951)	(90,951)
Depreciation of owned fixed assets	48,600	33,859
Depreciation of assets held under finance lease agreements	—	18,580
Auditor's remuneration		
- as auditor	10,528	10,023
Operating lease costs		
- Other	<u>36,190</u>	<u>25,220</u>

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

3. PARTICULARS OF EMPLOYEES

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

	2013	2012
	No	No
Number of staff	<u>65</u>	<u>49</u>

The aggregate payroll costs of the above were

	2013	2012
	£	£
Wages and salaries	1,754,695	1,306,452
Social security costs	167,891	130,606
Other pension costs	42,262	45,307
Other pension costs	5,259	5,383
	<u>1,970,107</u>	<u>1,487,748</u>

4. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2013	2012
	£	£
Remuneration receivable	67,842	68,911
Value of company pension contributions to money purchase schemes	5,259	5,383
	<u>73,101</u>	<u>74,294</u>

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

	2013	2012
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

With the exception of the Executive Director, no board members receive any remuneration

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Other similar charges payable	<u>171,041</u>	<u>133,481</u>

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013 £	2012 £
Current tax:		
UK Corporation tax based on the results for the year at 20% (2012 - 20%)	10,202	-
Over/under provision in prior year	-	(17,185)
Total current tax	<u>10,202</u>	<u>(17,185)</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2012 - 20%)

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>170,835</u>	<u>183,882</u>
Loss on ordinary activities by rate of tax	(34,167)	(36,776)
Depreciation	(48,600)	(10,488)
Disallowable expenses/ income	20,337	32,851
Capital allowances	72,632	14,413
Over provision in previous year	-	(17,185)
Total current tax (note 6(a))	<u>10,202</u>	<u>(17,185)</u>

7. TANGIBLE FIXED ASSETS

	Investment Property £	Plant & Machinery £	Fixtures & Fittings £	Equipment £	Total £
COST OR VALUATION					
At 1 April 2012	9,569,632	151,000	255,507	122,065	10,098,204
Additions	-	-	115,669	-	115,669
At 31 March 2013	<u>9,569,632</u>	<u>151,000</u>	<u>371,176</u>	<u>122,065</u>	<u>10,213,873</u>
DEPRECIATION					
At 1 April 2012	-	145,452	88,020	103,488	336,960
Charge for the year	-	1,824	34,570	12,206	48,600
At 31 March 2013	<u>-</u>	<u>147,276</u>	<u>122,590</u>	<u>115,694</u>	<u>385,560</u>
NET BOOK VALUE					
At 31 March 2013	<u>9,569,632</u>	<u>3,724</u>	<u>248,586</u>	<u>6,371</u>	<u>9,828,313</u>
At 31 March 2012	<u>9,569,632</u>	<u>5,548</u>	<u>167,487</u>	<u>18,577</u>	<u>9,761,244</u>

BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

7. TANGIBLE FIXED ASSETS *(continued)*

Finance lease agreements are secured by the assets to which they relate

The company's investment properties were valued at a market value of £8,900,000 on 16 July 2010 by Savills (L&P) Limited, Chartered Surveyors

The historical cost of the investment properties at the year end were £5,292,032 (2012 £5,292,032), included in the net book value of the investment properties is capitalised interest costs of £119,773 (2012 £119,773) A potential tax liability of £855,520 will become due if the properties are sold at their market value, as noted above

8. INVESTMENTS

Investments in group companies

	£
COST	
At 1 April 2012 and 31 March 2013	<u>1</u>
NET BOOK VALUE	
At 31 March 2013 and 31 March 2012	<u>1</u>

9. DEBTORS

	2013	2012
	£	£
Trade debtors	853,872	411,917
Corporation tax repayable	–	17,174
Other debtors	4,315	6,859
Prepayments and accrued income	105,627	70,671
	<u>963,814</u>	<u>506,621</u>

10. CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Bank loans and overdrafts	217,855	153,370
Trade creditors	580,501	231,975
Other creditors including taxation and social security		
Corporation tax	10,202	–
PAYE and social security	49,090	43,504
VAT	141,762	78,796
Other creditors	5,323	–
Bonds Held	94,548	87,867
	<u>1,099,281</u>	<u>595,512</u>
Accruals and deferred income	51,512	38,845
	<u>1,150,793</u>	<u>634,357</u>

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

10. CREDITORS: Amounts falling due within one year (*continued*)

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2013	2012
	£	£
Bank loans and overdrafts	<u>217,855</u>	<u>153,370</u>

11. CREDITORS: Amounts falling due after more than one year

	2013	2012
	£	£
Bank loans and overdrafts	<u>2,040,250</u>	<u>2,140,360</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2013	2012
	£	£
Bank loans and overdrafts	<u>2,040,250</u>	<u>2,140,360</u>

The bank overdraft and loans are secured by a first legal mortgage over the company's properties and by an unscheduled mortgage debenture

The company has two interest rate swap contracts. The first expires on 6 December 2016, the fair value of the interest rate swap on 31 March 2013 was a liability of £31,447. The second expires on 6 June 2022, the fair value of the contract as at 31 March 2013 was a liability of £338,145.

The fair value of the interest rate swap contracts has been determined by reference to prices available from the markets on which the instruments involved are traded.

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date.

	2013	2012
	£	£
Bank loans and overdrafts	<u>1,355,730</u>	<u>815,972</u>

12. DEFERRED TAXATION

There is an unrecognised deferred tax asset of £43,488 (2012: £59,527). The related deferred tax asset has not been recognised as the directors consider that the recognised criteria as set out in FRS 19 have not been met.

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

13. GOVERNMENT GRANTS

	2013 £	2012 £
Received and receivable:		
At 1 April 2012	2,336,275	2,326,275
Receivable during year	5,000	10,000
At 31 March 2013	<u>2,341,275</u>	<u>2,336,275</u>
Amortisation:		
At 1 April 2012	819,195	728,244
Credit to profit and loss account	90,951	90,951
At 31 March 2013	<u>910,146</u>	<u>819,195</u>
Net balance at 31 March 2013	<u>1,431,129</u>	<u>1,517,080</u>

14. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as set out below

	2013		2012
	Land and buildings £	Other Items £	Land and buildings £
Operating leases which expire Within 2 to 5 years	<u>39,336</u>	<u>33,700</u>	-
	<u>39,336</u>	<u>33,700</u>	<u>-</u>
			20,130
			<u>20,130</u>

15. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and therefore has no issued share capital

16. PROFIT AND LOSS ACCOUNT

	2013 £	2012 £
Balance brought forward	1,731,841	1,530,774
Profit for the financial year	160,633	201,067
Balance carried forward	<u>1,892,474</u>	<u>1,731,841</u>

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

17. NOTES TO THE CASH FLOW STATEMENT

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

	2013	2012
	£	£
Operating profit	341,876	317,363
Depreciation	48,600	52,439
Amortisation of government grants	(90,951)	(90,951)
Increase in debtors	(474,367)	(217,907)
Increase in creditors	435,068	12,583
Net cash inflow from operating activities	<u>260,226</u>	<u>73,527</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2013	2012
	£	£
Interest paid	(171,041)	(133,481)
Net cash outflow from returns on investments and servicing of finance	<u>(171,041)</u>	<u>(133,481)</u>

TAXATION

	2013	2012
	£	£
Taxation	<u>17,174</u>	<u>(27,952)</u>

CAPITAL EXPENDITURE

	2013	2012
	£	£
Payments to acquire tangible fixed assets	(115,669)	(768,997)
Net cash outflow from capital expenditure	<u>(115,669)</u>	<u>(768,997)</u>

FINANCING

	2013	2012
	£	£
(Repayment of)/increase in bank loans	(47,241)	700,278
Net inflow from other short-term creditors	6,681	3,949
Capital element of finance leases	—	(18,580)
New grants received	5,000	10,000
Net cash (outflow)/inflow from financing	<u>(35,560)</u>	<u>695,647</u>

**BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2013

17. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2013		2012	
	£	£	£	£
Decrease in cash in the period	(44,870)		(161,256)	
Net cash outflow from/(inflow) from bank loans	47,241		(700,278)	
Net (inflow) from other short-term creditors	(6,681)		(3,949)	
Cash outflow in respect of finance leases	—		18,580	
		(4,310)		(846,903)
Change in net debt		(4,310)		(846,903)
Net debt at 1 April 2012		(2,348,225)		(1,501,322)
Net debt at 31 March 2013		(2,352,535)		(2,348,225)

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2012 £	Cash flows £	At 31 Mar 2013 £
Net cash			
Cash in hand and at bank	33,372	(33,254)	118
Overdrafts	(41,103)	(11,616)	(52,719)
	(7,731)	(44,870)	(52,601)
Debt			
Debt due within 1 year	(200,134)	(59,550)	(259,684)
Debt due after 1 year	(2,140,360)	100,110	(2,040,250)
	(2,340,494)	40,560	(2,299,934)
Net debt	(2,348,225)	(4,310)	(2,352,535)

18. SHARES IN GROUP UNDERTAKINGS

Details of the unconsolidated subsidiaries and investments in which the company has a participating interest are as follows

	Share holding proportion held	Nature of business	Profit/(loss) for the year £	Capital and reserves at 31 March 2013 £
Cardiff & Vale Enterprise International Limited, England & Wales	100%	Overseas business and development support	—	—