

REGISTERED NUMBER: 02692195 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 30 September 2012
for
Barco Sales Ltd**

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for the Year Ended 30 September 2012**

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Barco Sales Ltd
Company Information
for the Year Ended 30 September 2012

DIRECTORS:	P R Barrow S J Barrow P J Barrow
SECRETARY:	S J Barrow
REGISTERED OFFICE:	8 Hampstead Gate 1A Frognal Hampstead London NW3 6AL
REGISTERED NUMBER:	02692195 (England and Wales)
SENIOR STATUTORY AUDITOR:	A J Azarang ACA
AUDITORS:	Brackman Chopra LLP Registered Auditors 8 Hampstead Gate 1 A Frognal Hampstead London NW3 6AL

**Report of the Directors
for the Year Ended 30 September 2012**

The directors present their report with the financial statements of the company for the year ended 30 September 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of buying and selling of plumbing, building and engineering equipment

REVIEW OF BUSINESS

The directors considered the results for the year and the financial position at the end of it, to be in line with expectations

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using key performance indicators ("KPIs"), beyond the analysis given above, is not necessary for an understanding of the development, performance or position of the business

DIVIDENDS

No dividends will be distributed for the year ended 30 September 2012

FUTURE DEVELOPMENTS

In the light of the current general economic conditions the directors anticipate that the conditions will continue to have a negative impact on profitability

DIRECTORS

The directors during the year under review were

P R Barrow
S J Barrow
P J Barrow

The directors holding office at 30 September 2012 did not hold any beneficial interest in the issued share capital of the company at 1 October 2011 or 30 September 2012

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company contributed £27,600 (2011 £32,764) to charities

PRINCIPLE RISKS AND UNCERTAINTIES

The key business risks and uncertainties affecting the business are considered to relate to competition from both national and independent wholesalers and from the current downturn in the UK economy

The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk

The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event that parties fail to perform their obligations under financial instruments

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company holds or issues financial instruments in order to achieve three main objectives being

- a) To finance its operations
- b) To manage its exposure to interest and currency risks arising from its operations and from sources of finance, and
- c) For trading purposes

The various financial instruments (eg trade debtors, trade creditors, accruals and prepayments) arise directly from the companies operations. The company does not use complicated financial instruments including derivative financial instruments for trading purposes

The board regularly reviews the financial requirements of the company and the risks associated therewith. Company operations are primarily financed from retained earnings, intra-group company loans and bank borrowings (including an overdraft facility)

**Report of the Directors
for the Year Ended 30 September 2012**

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 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 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 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.

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 company'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 company's auditors are aware of that information.

AUDITORS

The auditors, Brackman Chopra LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD.



S J Barrow Secretary

27 March 2013

**Report of the Independent Auditors to the Members of
Barco Sales Ltd**

We have audited the financial statements of Barco Sales Ltd for the year ended 30 September 2012 on pages five to eighteen. 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 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 Report of the Directors 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 company's affairs as at 30 September 2012 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.

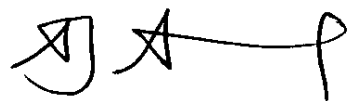
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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, 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.



A J Azarang ACA (Senior Statutory Auditor)
for and on behalf of Brackman Chopra LLP
Registered Auditors
8 Hampstead Gate
1 A Frognal
Hampstead
London
NW3 6AL

27 March 2013

Barco Sales Ltd (Registered number: 02692195)

**Profit and Loss Account
for the Year Ended 30 September 2012**

	Notes	2012		2011	
		£	£	£	£
TURNOVER	2		13,496,800		13,436,975
Cost of sales			<u>9,567,007</u>		<u>9,528,555</u>
GROSS PROFIT			3,929,793		3,908,420
Administrative expenses			<u>3,229,781</u>		<u>2,651,397</u>
OPERATING PROFIT	4		700,012		1,257,023
Share of profit in associated partnership		82,666		58,752	
Interest receivable and similar income		<u>15,796</u>		<u>24,693</u>	
			<u>98,462</u>		<u>83,445</u>
			798,474		1,340,468
Amounts written off investments	5		<u>(7,018)</u>		<u>(30,899)</u>
			805,492		1,371,367
Interest payable and similar charges	6		<u>144,526</u>		<u>163,282</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			660,966		1,208,085
Tax on profit on ordinary activities	7		<u>83,169</u>		<u>220,618</u>
PROFIT FOR THE FINANCIAL YEAR			<u><u>577,797</u></u>		<u><u>987,467</u></u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

Barco Sales Ltd (Registered number: 02692195)

**Balance Sheet
30 September 2012**

	Notes	2012		2011	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		2,234,828		2,316,715
Investments	10		<u>2,215,793</u>		<u>2,208,775</u>
			4,450,621		4,525,490
CURRENT ASSETS					
Stocks	11	2,965,019		2,837,197	
Debtors	12	4,258,273		4,290,382	
Cash at bank and in hand		<u>2,171,990</u>		<u>1,916,267</u>	
		9,395,282		9,043,846	
CREDITORS					
Amounts falling due within one year	13	<u>5,199,605</u>		<u>5,400,092</u>	
NET CURRENT ASSETS			<u>4,195,677</u>		<u>3,643,754</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,646,298		8,169,244
CREDITORS					
Amounts falling due after more than one year	14		(1,439,312)		(1,534,643)
PROVISIONS FOR LIABILITIES	17		<u>(7,428)</u>		<u>(12,840)</u>
NET ASSETS			<u>7,199,558</u>		<u>6,621,761</u>
CAPITAL AND RESERVES					
Called up share capital	18		1,500		1,500
Profit and loss account	19		<u>7,198,058</u>		<u>6,620,261</u>
SHAREHOLDERS' FUNDS	23		<u>7,199,558</u>		<u>6,621,761</u>

The financial statements were approved by the Board of Directors on 27 March 2013 and were signed on its behalf by



P R Barrow - Director



S J Barrow - Director



P J Barrow - Director

The notes form part of these financial statements

Barco Sales Ltd (Registered number: 02692195)

**Cash Flow Statement
for the Year Ended 30 September 2012**

	Notes	2012	2011
		£	£
Net cash inflow from operating activities	1	889,213	571,879
Returns on investments and servicing of finance	2	(46,064)	(79,837)
Taxation		(231,084)	(19,820)
Capital expenditure	2	<u>(38,492)</u>	<u>(93,843)</u>
		573,573	378,379
Financing	2	<u>(81,761)</u>	<u>(32,826)</u>
Increase in cash in the period		<u>491,812</u>	<u>345,553</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		491,812	345,553
Cash outflow from decrease in debt		<u>81,762</u>	<u>32,826</u>
Change in net debt resulting from cash flows		<u>573,574</u>	<u>378,379</u>
Movement in net debt in the period		573,574	378,379
Net debt at 1 October		<u>(152,466)</u>	<u>(530,845)</u>
Net funds/(debt) at 30 September		<u>421,108</u>	<u>(152,466)</u>

The notes form part of these financial statements

Barco Sales Ltd (Registered number 02692195)

**Notes to the Cash Flow Statement
for the Year Ended 30 September 2012**

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

	2012	2011
	£	£
Operating profit	700,012	1,257,023
Depreciation charges	150,640	165,029
Profit on disposal of fixed assets	(30,261)	(3,020)
Increase in stocks	(127,822)	(498,322)
Decrease/(increase) in debtors	32,109	(455,425)
Increase in creditors	<u>164,535</u>	<u>106,594</u>
Net cash inflow from operating activities	<u>889,213</u>	<u>571,879</u>

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

	2012	2011
	£	£
Returns on investments and servicing of finance		
Interest received	15,796	24,693
Interest paid	(144,526)	(163,282)
Profit share from associated partnership	6,773	7,797
Drawings from Big Screen Productions LLP	<u>75,893</u>	<u>50,955</u>
Net cash outflow for returns on investments and servicing of finance	<u>(46,064)</u>	<u>(79,837)</u>
Capital expenditure		
Purchase of tangible fixed assets	(68,753)	(98,544)
Sale of tangible fixed assets	<u>30,261</u>	<u>4,701</u>
Net cash outflow for capital expenditure	<u>(38,492)</u>	<u>(93,843)</u>
Financing		
Loan repayments in year	<u>(81,761)</u>	<u>(32,826)</u>
Net cash outflow from financing	<u>(81,761)</u>	<u>(32,826)</u>

The notes form part of these financial statements

Barco Sales Ltd (Registered number: 02692195)

**Notes to the Cash Flow Statement
for the Year Ended 30 September 2012**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1/10/11 £	Cash flow £	At 30/9/12 £
Net cash			
Cash at bank and in hand	1,916,267	255,723	2,171,990
Bank overdraft	<u>(497,356)</u>	<u>236,089</u>	<u>(261,267)</u>
	<u>1,418,911</u>	<u>491,812</u>	<u>1,910,723</u>
 Debt			
Debts falling due within one year	(36,734)	(13,569)	(50,303)
Debts falling due after one year	<u>(1,534,643)</u>	<u>95,331</u>	<u>(1,439,312)</u>
	<u>(1,571,377)</u>	<u>81,762</u>	<u>(1,489,615)</u>
 Total	<u>(152,466)</u>	<u>573,574</u>	<u>421,108</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 September 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax and trade discounts

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	- Straight line over the life of the lease
Fixtures and fittings	- 10% - 25% Straight Line
Motor vehicles	- 25% Straight Line
Computer equipment	- 20% Straight Line

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

Pension costs and other post-retirement benefits

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

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company wholly undertaken in the UK

3 STAFF COSTS

	2012 £	2011 £
Wages and salaries	1,306,901	1,323,560
Social security costs	116,905	138,735
Other pension costs	118,633	542,322
	<u>1,542,439</u>	<u>2,004,617</u>

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

	2012	2011
Warehouse and distribution	22	21
Sales	12	12
Administration	14	16
	<u>48</u>	<u>49</u>

Notes to the Financial Statements - continued
for the Year Ended 30 September 2012

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation - owned assets	150,640	165,029
Profit on disposal of fixed assets	(30,261)	(3,020)
Auditors remuneration - audit of the financial statements	24,750	24,750
Taxation compliance services	2,500	2,500
Other non-audit services	13,304	7,675
Operating lease rentals - Motor vehicles	9,400	20,215
Operating lease rentals - Office equipment	<u>1,379</u>	<u>1,379</u>
Directors' remuneration	253,333	178,683
Directors' pension contributions to money purchase schemes	<u>101,200</u>	<u>525,358</u>

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

Money purchase schemes	<u>3</u>	<u>3</u>
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Information regarding the highest paid director for the year ended 30 September 2012 is as follows

	2012	2011
	£	£
Emoluments etc	120,327	109,475
Pension contributions to money purchase schemes	<u>1,200</u>	<u>172,800</u>

5 AMOUNTS WRITTEN OFF INVESTMENTS

	2012	2011
	£	£
Amounts written off investment	<u>(7,018)</u>	<u>(30,899)</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Bank interest	12,132	14,284
Directors loan interest	101,528	98,043
Interest on holding company loan	<u>30,866</u>	<u>50,955</u>
	<u>144,526</u>	<u>163,282</u>

Notes to the Financial Statements - continued
for the Year Ended 30 September 2012

7 **TAXATION**

Analysis of the tax charge

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

	2012 £	2011 £
Current tax		
UK corporation tax	88,580	222,430
Deferred tax	(5,411)	(1,812)
Tax on profit on ordinary activities	<u>83,169</u>	<u>220,618</u>

UK corporation tax was charged at 26% in 2011

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

	2012 £	2011 £
Profit on ordinary activities before tax	<u>660,966</u>	<u>1,208,085</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.931% (2011 - 26%)	164,785	314,102
Effects of		
Expenses not deductible for tax purposes	-	103
Capital allowances for period in excess of depreciation	2,278	10,874
Utilisation of tax losses	(63,440)	(100,297)
Partnership taxable income in excess of income arising in the year	(15,043)	(2,027)
Utilisation of Partnership losses previous periods	-	(325)
Current tax charge	<u>88,580</u>	<u>222,430</u>

8 **PENSION COSTS**

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £101,200 (2011 £525,358).

The company operates a defined contribution group personal pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £17,433 (2011 £16,964). As at 30 September 2012 contributions in the sum of £2,541 (2011 £Nil) were outstanding.

Notes to the Financial Statements - continued
for the Year Ended 30 September 2012

9 TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 October 2011	2,359,904	400,216	290,980	451,135	3,502,235
Additions	-	3,147	53,287	12,319	68,753
Disposals	-	-	(83,514)	-	(83,514)
At 30 September 2012	<u>2,359,904</u>	<u>403,363</u>	<u>260,753</u>	<u>463,454</u>	<u>3,487,474</u>
DEPRECIATION					
At 1 October 2011	277,112	336,680	190,625	381,103	1,185,520
Charge for year	29,198	17,648	60,583	43,211	150,640
Eliminated on disposal	-	-	(83,514)	-	(83,514)
At 30 September 2012	<u>306,310</u>	<u>354,328</u>	<u>167,694</u>	<u>424,314</u>	<u>1,252,646</u>
NET BOOK VALUE					
At 30 September 2012	<u>2,053,594</u>	<u>49,035</u>	<u>93,059</u>	<u>39,140</u>	<u>2,234,828</u>
At 30 September 2011	<u>2,082,792</u>	<u>63,536</u>	<u>100,355</u>	<u>70,032</u>	<u>2,316,715</u>

10 FIXED ASSET INVESTMENTS

	Interest in other participating interests £	Unlisted investments £	Totals £
COST			
At 1 October 2011 and 30 September 2012	<u>2</u>	<u>2,247,874</u>	<u>2,247,876</u>
PROVISIONS			
At 1 October 2011	-	39,101	39,101
Provision for year	-	(7,018)	(7,018)
At 30 September 2012	-	<u>32,083</u>	<u>32,083</u>
NET BOOK VALUE			
At 30 September 2012	<u>2</u>	<u>2,215,791</u>	<u>2,215,793</u>
At 30 September 2011	<u>2</u>	<u>2,208,773</u>	<u>2,208,775</u>

Notes to the Financial Statements - continued
for the Year Ended 30 September 2012

10 **FIXED ASSET INVESTMENTS - continued**

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

Associated Companies

Bessemer Road Management Company Ltd

Country of incorporation England & Wales

Nature of business Property Management

Class of shares	% holding	31/5/12	31/5/11
Ordinary	40 00	£	£
Aggregate capital and reserves		(1,531)	(1,288)
Loss for the year		<u>(243)</u>	<u>(240)</u>

Big Screen Productions 4 LLP

Nature of business England & Wales

Class of shares	% holding	2012	2011
Film scheme	11 55	£	£
Aggregate capital and reserves		6,336	6,462
Profit for the year		<u>97</u>	<u>248</u>

Unlisted investments represent the company's 11 55 % interest in Big Screen Productions 4 LLP and a 1 31% equity interest in Trieste Film Partners, a general partnership carrying on a business in British films. A provision for diminution in value of £7,018 (2011 £30,899) has been made against the original cost of the investment of £620,105

11 **STOCKS**

	2012	2011
	£	£
Finished goods	<u>2,965,019</u>	<u>2,837,197</u>

In common with many companies in the the plumbing supplies industry, the majority of our suppliers have standard reservation title clauses. To the extent that stock is separately identifiable, it may be subject to a reservation of title clause

12 **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2012	2011
	£	£
Trade debtors	2,044,065	2,301,236
Amounts owed by group undertakings	2,054,308	1,827,021
Other debtors	1,600	-
Prepayments and accrued income	<u>158,300</u>	<u>162,125</u>
	<u>4,258,273</u>	<u>4,290,382</u>

Notes to the Financial Statements - continued
for the Year Ended 30 September 2012

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Bank loans and overdrafts (see note 15)	302,343	534,090
Other loans (see note 15)	9,227	-
Trade creditors	510,223	913,334
Amounts owed to connected companies	333,201	289,449
Amounts owed to group undertakings	1,426,147	-
Tax	79,899	222,403
Social security and other taxes	44,799	49,921
VAT	23,841	195,022
Other creditors	2,540	92,600
Directors' current accounts	2,426,940	2,962,626
Accruals and deferred income	40,445	140,647
	<u>5,199,605</u>	<u>5,400,092</u>

The Clydesdale bank loans are secured over the company's share of lease rental income receivable from the Trieste Film Partners investment included under other investments in note 10

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Bank loans (see note 15)	213,745	254,822
Other loans (see note 15)	<u>1,225,567</u>	<u>1,279,821</u>
	<u>1,439,312</u>	<u>1,534,643</u>

15 LOANS

An analysis of the maturity of loans is given below

	2012	2011
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	261,267	497,356
Bank loans	41,076	36,734
Holding company loan	<u>9,227</u>	<u>-</u>
	<u>311,570</u>	<u>534,090</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>45,658</u>	<u>41,076</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	168,087	152,167
Holding company loan	<u>1,225,567</u>	<u>-</u>
	<u>1,393,654</u>	<u>152,167</u>

Amounts falling due in more than five years

Notes to the Financial Statements - continued
for the Year Ended 30 September 2012

15 LOANS - continued

	2012 £	2011 £
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans more 5 yr by instal	-	61,579
Holding company loan	-	<u>1,279,821</u>
	<u>-</u>	<u>1,341,400</u>

The bank loans are secured on company assets as detailed in note 13 above

The bank loans are repayable by annual instalments over 15 years (comprising principal and interest elements) and accrue interest at a weighted average fixed rate of 4.699% per annum

16 FINANCIAL INSTRUMENTS

As at 30 September 2012 the company has the following financial commitments under Forward Foreign Currency Contracts -

Maturity	Sell £	Buy \$	Buy €
3 October 2012	63,798	100,000	
12 October 2012	31,751	50,000	
26 October 2012	31,757	50,000	
7 November 2012	31,508	50,000	
14 November 2012	31,514	50,000	
5 December 2012	31,357	50,000	
12 December 2012	31,360	50,000	
7 January 2013	31,257	50,000	
14 January 2013	31,266	50,000	
12 November 2012	11,895		12,000

17 PROVISIONS FOR LIABILITIES

	2012 £	2011 £
Deferred tax	<u>7,428</u>	<u>12,840</u>
		Deferred tax
		£
Balance at 1 October 2011		12,840
Movements in the year		<u>(5,412)</u>
Balance at 30 September 2012		<u>7,428</u>

18 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	2012 £	2011 £
1,500	Ordinary	£1	<u>1,500</u>	<u>1,500</u>

Notes to the Financial Statements - continued
for the Year Ended 30 September 2012

19 RESERVES

	Profit and loss account £
At 1 October 2011	6,620,261
Profit for the year	<u>577,797</u>
At 30 September 2012	<u><u>7,198,058</u></u>

20 ULTIMATE PARENT COMPANY

The company's parent undertaking is Barco Holdings Limited, a company controlled by the directors by virtue of their shareholdings. The latest financial statements for Barco Holdings Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

21 CAPITAL COMMITMENTS

At 30 September 2012 the company had annual commitments under non-cancellable operating leases as follows -

	2012 £	2011 £
Expiry date		
Within one year	-	7,086
In second to fifth years inclusive	1,379	11,592

22 RELATED PARTY DISCLOSURES

At the balance sheet date the amount due from Starfish Records Ltd, a fellow group undertaking, was £2,054,308 (2011 £1,816,878). During the year £237,430 was transferred to Starfish Records Ltd as an interest free group loan repayable on demand.

At the balance sheet date the amount due to/(from) Barco Holdings Ltd, the company's parent undertaking was £1,426,147 (2011 (£10,143)) this amount is an interest free group loan repayable on demand.

At 30 September 2008 Barco Holdings Ltd entered into a loan agreement with Ingenious Resources Ltd for a loan of £1,279,821. The money received was then loaned to Barco Sales Ltd to assist with the funding of the investment in Big Screen Productions 4 LLP. The loan is repayable on the earlier of the winding up of Big Screen Productions 4 LLP, the sale of its assets, termination of its operators agreements or 30 September 2016. The intercompany loan is shown in long term creditors in note 15. A tranche of the loan of £54,254, of which £45,027 was repaid from the first drawings from Big Screen Productions 4 LLP leaving £9,227 disclosed in loans repayable within 1 year. The balance of the loan is due for payment within two - five years of the balance sheet date. The loan shown in Barco Holdings Ltd secured on the company's investment in Big Screen Productions 4 LLP. The loans accrues interest at 2 percent above bank base rate. Interest payable to Ingenious Resources Ltd by Barco Holdings Ltd and consequently payable by Barco Sales Ltd to Barco Holdings Ltd for the year ended 30 September 2012 was £30,866 (2011 £50,955). This was paid directly out of Barco Sales Ltd investment income to Ingenious Resources Ltd on behalf of Barco Holdings Ltd as per the notice of assignment of Interest.

Barco Sales Ltd (Registered number: 02692195)

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2012**

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012	2011
	£	£
Profit for the financial year	<u>577,797</u>	<u>987,467</u>
Net addition to shareholders' funds	577,797	987,467
Opening shareholders' funds	<u>6,621,761</u>	<u>5,634,294</u>
Closing shareholders' funds	<u><u>7,199,558</u></u>	<u><u>6,621,761</u></u>