

A. & G. TOSELAND LIMITED

ACCOUNTS

30 JUNE 2012

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A. & G. TOSELAND LIMITED

ACCOUNTS

PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012

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A. & G. TOSELAND LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr F G Toseland
Hughes Armstrong Corporate Investment PLC

Company secretary

Mrs M S Toseland

Registered office

St Michaels Road
Kettering

Auditor

Meadows & Co
Chartered Accountants
& Statutory Auditor
Headlands House
1 Kings Court
Kettering Parkway
Kettering

A. & G. TOSELAND LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012

The directors have pleasure in presenting their report and the accounts of the company for the period from 1 February 2011 to 30 June 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the period was that of the manufacture of general industrial and antibacterial coatings

It has been a very difficult and challenging seventeen month period for the company. In July 2011, one of the directors of the company left and set up a new company which directly competed against the business and as a result approximately fifty percent of the trade was lost to this new competition

By October 2011 it was obvious that without a substantial cash injection and a complete restructuring, the company would not survive in its present form. The board of directors sought outside assistance and on the 18th November, 2011 sold a majority stake to Hughes Armstrong Corporate Investment PLC. Hughes Armstrong immediately invested over £50,000 and facilitated further funds to allow all statutory demands to be satisfied.

Since the investment the company has restructured and streamlined its operations, invested in new technology and launched two new brands, it has also spent a large amount of resource in bringing the property into line with current health and safety regulations.

Whilst trade is not helped by the general economic situation globally, turnover has stabilised and is beginning to increase. There are currently some exciting leads involving the two new brands that were launched this year and it is hoped that by December, 2012 the company will have secured an exclusivity agreement with a Japanese company to sell its products in the Far East.

The business is forecasting a moderate profit for the year to 30th June, 2013, however, there is still much more to do and further substantial investment will be required to allow the company to fulfil its potential and strengthen its brand positioning.

KEY PERFORMANCE INDICATORS

Given the straight forward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

RESULTS AND DIVIDENDS

The loss for the period amounted to £59,771. The directors have not recommended a dividend.

DIRECTORS

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

Mr F G Toseland
Mr M L Gardner

Mr M L Gardner resigned as a director on 14 November 2011.
Hughes Armstrong Corporate Investment PLC was appointed as a director on 15 August 2012.

A. & G. TOSELAND LIMITED

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 those accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts,
- prepare the accounts 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 accounts 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

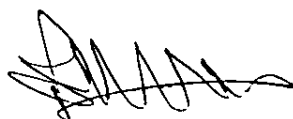
- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Meadows & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office
St Michaels Road
Kettering

Signed on behalf of the directors



MR P J WARDLE
FOR HUGHES ARMSTRONG CORPORATE
INVESTMENT PLC
Director

Approved by the directors on 27 September 2012

A. & G. TOSELAND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF A. & G. TOSELAND LIMITED

PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012

We have audited the accounts of A & G Toseland Limited for the period from 1 February 2011 to 30 June 2012 on pages 6 to 18. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 ACCOUNTS

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 , and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON ACCOUNTS

In our opinion the accounts

- give a true and fair view of the state of the company's affairs as at 30 June 2012 and of its loss for the period 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.

OTHER MATTERS

The comparative financial statements for the year ended 31 January 2011 have not been audited.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

A. & G. TOSELAND LIMITED

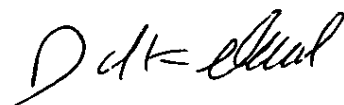
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF A.
& G. TOSELAND LIMITED (continued)**

PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012

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 accounts 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



DAVID KELLAND FCA (Senior
Statutory Auditor)
For and on behalf of
MEADOWS & CO
Chartered Accountants
& Statutory Auditor

Headlands House
1 Kings Court
Kettering Parkway
Kettering

27 September 2012

A. & G. TOSELAND LIMITED**PROFIT AND LOSS ACCOUNT****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012**

	Note	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
TURNOVER	2	862,675	858,616
Cost of sales		<u>537,977</u>	<u>472,248</u>
GROSS PROFIT		324,698	386,368
Administrative expenses		370,037	386,789
Other operating income	3	<u>(19,510)</u>	<u>(37,676)</u>
OPERATING (LOSS)/PROFIT	4	(25,829)	37,255
Interest payable and similar charges	7	<u>34,042</u>	<u>9,507</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(59,871)	27,748
Tax on (loss)/profit on ordinary activities	8	<u>(100)</u>	<u>(772)</u>
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		<u>(59,771)</u>	<u>28,520</u>

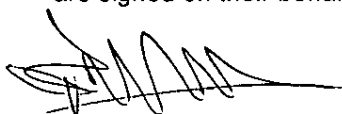
All of the activities of the company are classed as continuing

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

A. & G. TOSELAND LIMITED**BALANCE SHEET****30 JUNE 2012**

	Note	30 Jun 12 £	£	31 Jan 11 £	£
FIXED ASSETS					
Tangible assets	9		409,720		400,780
CURRENT ASSETS					
Stocks	10	55,207		99,117	
Debtors	11	189,103		431,208	
Cash at bank		111		133	
		<u>244,421</u>		<u>530,458</u>	
CREDITORS: Amounts falling due within one year	12	<u>298,460</u>		<u>471,124</u>	
NET CURRENT (LIABILITIES)/ASSETS			(54,039)		59,334
TOTAL ASSETS LESS CURRENT LIABILITIES			355,681		460,114
CREDITORS: Amounts falling due after more than one year	13		132,966		177,628
			<u>222,715</u>		<u>282,486</u>
CAPITAL AND RESERVES					
Called-up equity share capital	16		35,000		35,000
Revaluation reserve			104,515		104,515
Profit and loss account	17		83,200		142,971
SHAREHOLDERS' FUNDS	18		<u>222,715</u>		<u>282,486</u>

These accounts were approved by the directors and authorised for issue on 27 September 2012, and are signed on their behalf by



MR P J WARDLE
FOR HUGHES ARMSTRONG CORPORATE INVESTMENT PLC
Director

Company Registration Number 02742202

A. & G. TOSELAND LIMITED**CASH FLOW STATEMENT****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012**

	Note	Period from 1 Feb 11 to 30 Jun 12		Year to 31 Jan 11	
		£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	19		68,354		26,578
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	19		(34,042)		(9,507)
TAXATION	19		(64,640)		23,024
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	19		6,200		14,500
CASH (OUTFLOW)/INFLOW BEFORE FINANCING			(24,128)		54,595
FINANCING	19		(40,220)		(55,920)
DECREASE IN CASH	19		(64,348)		(1,325)

The notes on pages 9 to 18 form part of these accounts.

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****1. ACCOUNTING POLICIES****Basis of accounting**

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

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax

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	- 20% of Cost
Fixtures & Fittings	- 25% of Cost
Motor Vehicles	- 20% of Cost

The freehold property was re-valued on 28 November 2008 by Douglas Duff Chartered Surveyors. The directors consider that the property is maintained in such a state of repair that the residual value is at least equal to this valuation. As a result, the corresponding depreciation would not be material and therefore is not charged in the profit and loss account. The directors perform annual impairment reviews in accordance with the requirements of FRS 15 and FRS 11 to ensure that the recoverable amount is not lower than the carrying value.

Stocks

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

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

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.

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****2. TURNOVER**

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

An analysis of turnover is given below

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
United Kingdom	<u>862,675</u>	<u>858,616</u>

3. OTHER OPERATING INCOME

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Rent receivable	19,510	16,300
Commission receivable	—	21,376
	<u>19,510</u>	<u>37,676</u>

4. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging/(crediting)

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Depreciation of owned fixed assets	1,860	13,160
Profit on disposal of fixed assets	(17,000)	(5,823)
Net loss on foreign currency translation	664	241
Auditor's remuneration	<u>7,500</u>	<u>—</u>
	30 Jun 12	31 Jan 11
	£	£
Auditor's remuneration - audit of the accounts	<u>7,500</u>	<u>—</u>

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****5 PARTICULARS OF EMPLOYEES**

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

	Period from 1 Feb 11 to 30 Jun 12	Year to 31 Jan 11
	No	No
Number of production staff	3	3
Number of administrative staff	3	3
Number of management staff	2	2
	<u>8</u>	<u>8</u>

The aggregate payroll costs of the above were

	Period from 1 Feb 11 to 30 Jun 12	Year to 31 Jan 11
	£	£
Wages and salaries	239,797	265,346
Social security costs	28,313	37,389
Other pension costs	1,391	3,075
Pensions paid to former employees	7,750	10,000
	<u>277,251</u>	<u>315,810</u>

6 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	Period from 1 Feb 11 to 30 Jun 12	Year to 31 Jan 11
	£	£
Remuneration receivable	102,571	222,849
Value of company pension contributions to money purchase schemes	2,500	3,000
	<u>105,071</u>	<u>225,849</u>

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

	Period from 1 Feb 11 to 30 Jun 12	Year to 31 Jan 11
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****7 INTEREST PAYABLE AND SIMILAR CHARGES**

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Interest payable on bank borrowing	12,263	7,687
Finance charges	-	386
Other similar charges payable	21,779	1,434
	<u>34,042</u>	<u>9,507</u>

8. TAXATION ON ORDINARY ACTIVITIES**(a) Analysis of charge in the period**

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Current tax		
UK Corporation tax based on the results for the period at 20 16% (2011 - 21%)	-	1,066
Over/under provision in prior year	(100)	(1,838)
Total current tax	<u>(100)</u>	<u>(772)</u>

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 20 16% (2011 - 21%)

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
(Loss)/profit on ordinary activities before taxation	<u>(59,871)</u>	<u>27,748</u>
(Loss)/profit on ordinary activities by rate of tax	(12,070)	5,827
Expenses not deductible for tax purposes	4,356	-
Capital allowances for period in excess of depreciation	(9,378)	(1,862)
Utilisation of tax losses	-	(2,899)
Unrelieved tax losses	17,092	-
Adjustments to tax charge in respect of previous periods	<u>(100)</u>	<u>(1,838)</u>
Total current tax (note 8(a))	<u>(100)</u>	<u>(772)</u>

(c) Factors that may affect future tax charges

There also a potential reduction in future Corporation tax liabilities of £26,949 (2011 £9,993) in respect of allowable losses available for off-set against future profits

There is a no potential Corporation tax liability in respect of the re-valued assets

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****9. TANGIBLE FIXED ASSETS**

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST OR VALUATION					
At 1 February 2011	400,000	79,825	28,881	85,086	593,792
Additions	—	—	—	10,800	10,800
Disposals	—	—	—	(72,086)	(72,086)
At 30 June 2012	400,000	79,825	28,881	23,800	532,506
DEPRECIATION					
At 1 February 2011	—	79,200	28,726	85,086	193,012
Charge for the period	—	625	155	1,080	1,860
On disposals	—	—	—	(72,086)	(72,086)
At 30 June 2012	—	79,825	28,881	14,080	122,786
NET BOOK VALUE					
At 30 June 2012	400,000	—	—	9,720	409,720
At 31 January 2011	400,000	625	155	—	400,780

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows

	2012 £	2011 £
Historical cost	295,485	295,485

10. STOCKS

	30 Jun 12 £	31 Jan 11 £
Stock	55,207	99,117

11. DEBTORS

	30 Jun 12 £	31 Jan 11 £
Trade debtors	107,857	179,269
Corporation tax repayable	33,647	—
Other debtors	8,012	49,878
Directors current accounts - FGT	32,047	199,513
Prepayments and accrued income	7,540	2,548
	189,103	431,208

The company has an on-going debt financing arrangement whereby it receives a proportion of the value of sales invoices in advance. Advances are disclosed in the balance sheet as current liabilities and the gross amount of the financial debtors is included in trade debtors.

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****12 CREDITORS: Amounts falling due within one year**

	30 Jun 12	31 Jan 11
	£	£
Bank loans and overdrafts	153,609	84,841
Trade creditors	58,222	149,436
Amounts owed to group undertakings	56,149	—
Other creditors including taxation and social security	—	—
Corporation tax	—	31,093
PAYE and social security	6,101	128,115
VAT	10,879	67,956
Other creditors	—	3,789
	<u>284,960</u>	<u>465,230</u>
Accruals and deferred income	13,500	5,894
	<u>298,460</u>	<u>471,124</u>

Included in bank loans and overdrafts are advances in respect of financial debtors of £70,007 (2011 £nil)

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

	30 Jun 12	31 Jan 11
	£	£
Bank loans and overdrafts	<u>153,609</u>	<u>84,841</u>

The bank loans and overdraft are secured by a legal charge over the assets of the company

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

	30 Jun 12	31 Jan 11
	£	£
Bank loans and overdrafts	<u>132,966</u>	<u>177,628</u>

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

	30 Jun 12	31 Jan 11
	£	£
Bank loans and overdrafts	<u>132,966</u>	<u>177,628</u>

14 TRANSACTIONS WITH THE DIRECTORS

During the period the company advanced monies to Mr F G Toseland a director and shareholder

	2012	2011
	£	£
Opening balance	199,513	166,235
Closing balance	32,047	199,513
Total advances	78,177	33,278
Total repaid	245,643	—
Maximum Outstanding	229,596	199,513

Interest has been charged on this loan at the official rate and has no fixed repayment terms

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****15. RELATED PARTY TRANSACTIONS**

During the period the following transactions took place between the company and related parties

The company charged rent and recharged expenses as follows

	2012 £	2011 £
Little Dreamers Limited	1,100	—
Lampford Limited t/a The Warwick Partnership	3,732	—
Danro Coatings Limited	23,199	—

The company was also invoiced and recharged expenses as follows

	2012 £	2011 £
Hughes Armstrong Corporate Investment PLC	910	—
Bizclean LLP	16,000	—
Lampford Limited t/a The Warwick Partnership	8,583	—
Danro Coatings Limited	8,235	—

At 30 June 2012 the following amounts were owing to / from related parties

	Owing to A. & G. Toseland Limited £	Owing from A & G Toseland Limited £
Hughes Armstrong Corporate Investment PLC	—	56,149
Bizclean LLP	—	9,800
Lampford Limited t/a The Warwick Partnership	—	1,000
Danro Coatings Limited	3,768	—

Mrs J Hicks is a partner in Bizclean LLP and a director in both Lampford Limited t/a The Warwick Partnership and Little Dreamers Limited

Mr P J Wardle is a partner in Bizclean LLP and a director of Little Dreamers Limited

Mr S Lord is a director of Little Dreamers Limited

Mr S Lord, Mr P J Wardle and Mrs J Hicks are also directors of Hughes Armstrong Corporate Investment PLC, the ultimate parent company and controlling party

Mr F G Toseland is a shareholder of Danro Coatings Limited

All transactions entered into during the period were negotiated on an arms length basis

Mr F G Toseland has also given a personal guarantee to the company's bankers in relation to company borrowings up to a value of £308,720

16. SHARE CAPITAL

Allotted, called up and fully paid:

	30 Jun 12		31 Jan 11	
	No	£	No	£
35,000 Ordinary shares of £1 each	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****17 PROFIT AND LOSS ACCOUNT**

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Balance brought forward	142,971	114,451
(Loss)/profit for the financial period	(59,771)	28,520
Balance carried forward	<u>83,200</u>	<u>142,971</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 Jun 12 £	31 Jan 11 £
(Loss)/Profit for the financial period	(59,771)	28,520
Opening shareholders' funds	<u>282,486</u>	<u>253,966</u>
Closing shareholders' funds	<u>222,715</u>	<u>282,486</u>

19. NOTES TO THE CASH FLOW STATEMENT**RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Operating (loss)/profit	(25,829)	37,255
Depreciation	1,860	13,160
Profit on disposal of fixed assets	(17,000)	(5,823)
Decrease in stocks	43,910	10,753
Decrease/(increase) in debtors	275,752	(28,401)
Decrease in creditors	(210,339)	(366)
Net cash inflow from operating activities	<u>68,354</u>	<u>26,578</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Interest paid	(34,042)	(9,121)
Interest element of hire purchase and finance lease	—	(386)
Net cash outflow from returns on investments and servicing of finance	<u>(34,042)</u>	<u>(9,507)</u>

TAXATION

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Taxation	<u>(64,640)</u>	<u>23,024</u>

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****19. NOTES TO THE CASH FLOW STATEMENT *(continued)*****CAPITAL EXPENDITURE**

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Payments to acquire tangible fixed assets	(10,800)	—
Receipts from sale of fixed assets	17,000	14,500
Net cash inflow from capital expenditure	<u>6,200</u>	<u>14,500</u>

FINANCING

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
Repayment of bank loans	(40,220)	(44,942)
Capital element of hire purchase and finance lease	—	(10,978)
Net cash outflow from financing	<u>(40,220)</u>	<u>(55,920)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	30 Jun 12 £	£	31 Jan 11 £	£
Decrease in cash in the period	(64,348)		(1,325)	
Net cash outflow from bank loans	40,220		44,942	
Cash outflow in respect of hire purchase and finance lease	—		10,978	
		(24,128)		54,595
Change in net debt		(24,128)		54,595
Net debt at 1 February 2011		(262,336)		(316,931)
Net debt at 30 June 2012		<u>(286,464)</u>		<u>(262,336)</u>

A. & G. TOSELAND LIMITED**NOTES TO THE ACCOUNTS****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012****19. NOTES TO THE CASH FLOW STATEMENT *(continued)*****ANALYSIS OF CHANGES IN NET DEBT**

	At 1 Feb 2011 £	Cash flows £	At 30 Jun 2012 £
Net cash			
Cash in hand and at bank	133	(22)	111
Overdrafts	(39,899)	(64,326)	(104,225)
	<u>(39,766)</u>	<u>(64,348)</u>	<u>(104,114)</u>
Debt			
Debt due within 1 year	(44,942)	(4,442)	(49,384)
Debt due after 1 year	(177,628)	44,662	(132,966)
	<u>(222,570)</u>	<u>40,220</u>	<u>(182,350)</u>
Net debt	<u>(262,336)</u>	<u>(24,128)</u>	<u>(286,464)</u>

20. POST BALANCE SHEET EVENTS

The trading activity of Bizclean LLP was incorporated into the business on 1 October 2012

21. PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Hughes Armstrong Corporate Investment PLC, a company registered in England and Wales

A. & G. TOSELAND LIMITED

MANAGEMENT INFORMATION

PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012

**The following pages do not form part of the statutory accounts
which are the subject of the independent auditor's report on pages 4 to 5**

A. & G. TOSELAND LIMITED**DETAILED PROFIT AND LOSS ACCOUNT****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012**

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
TURNOVER	862,675	858,616
COST OF SALES		
Opening stock	99,117	109,870
Purchases	423,499	421,149
Direct wages	70,568	40,346
	<u>593,184</u>	<u>571,365</u>
Closing stock	(55,207)	(99,117)
	<u>537,977</u>	<u>472,248</u>
GROSS PROFIT	324,698	386,368
OVERHEADS		
Directors salaries	93,510	177,500
Directors pensions	2,500	3,000
Sales and administration costs	25,500	—
Wages and salaries	50,219	47,500
Employers national insurance contributions	28,313	37,389
Staff pension contributions	1,391	3,075
Pensions to former employees	5,250	7,000
Rates and water	13,612	9,912
Light and heat	4,881	8,943
Insurance	16,453	9,625
Repairs and maintenance	15,943	5,415
Motor and travel expenses	30,891	31,511
Telephone	5,968	3,189
Sundry expenses	2,639	3,253
Hire of equipment	1,360	—
Printing, stationery and postage	12,353	4,008
Subscriptions	2,597	—
Staff training and welfare	195	357
Advertising	1,090	3,775
Legal and professional fees	2,415	1,704
Accountancy fees	7,203	6,900
Auditors remuneration	7,500	—
Depreciation	1,860	13,160
Profit on disposal of fixed assets	(17,000)	(5,823)
Bad debts written off	21,513	10,773
Provision for doubtful debts	8,984	—
Factoring charges	15,807	—
Bank charges	6,426	4,382
Foreign currency gains/losses	664	241
	<u>370,037</u>	<u>386,789</u>
OTHER OPERATING INCOME	(45,339)	(421)
	<u>19,510</u>	<u>37,676</u>
OPERATING (LOSS)/PROFIT	(25,829)	37,255
Interest payable	(34,042)	(9,507)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES	(59,871)	27,748

A. & G. TOSELAND LIMITED**NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT****PERIOD FROM 1 FEBRUARY 2011 TO 30 JUNE 2012**

	Period from 1 Feb 11 to 30 Jun 12 £	Year to 31 Jan 11 £
OTHER OPERATING INCOME		
Rent receivable	19,510	16,300
Commissions receivable	—	21,376
	<u>19,510</u>	<u>37,676</u>
INTEREST PAYABLE		
Bank interest payable	12,263	7,687
Hire purchase and finance lease charges	—	386
Other interest payable	21,779	1,434
	<u>34,042</u>	<u>9,507</u>