

COMPANY REGISTRATION NUMBER 2757991

5 STAR CASES LTD

Financial Statements

For the Year Ended 30 April 2012



WHITING & PARTNERS

Chartered Accountants & Business Advisers
12/13 The Crescent
Wisbech
Cams
PE13 1EH

5 STAR CASES LTD

Financial Statements

Year Ended 30 April 2012

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5 STAR CASES LTD

Officers and Professional Advisers

The board of directors

K R Sykes
J Locks
Mrs C Sykes

Company secretary

Ms I Bouwhuis

Registered office

Broad End Industrial Estate
Walsoken
Wisbech
Cambs
PE14 7BQ

Accountants

Whiting & Partners
Chartered Accountants
12/13 The Crescent
Wisbech
Cambs
PE13 1EH

Bankers

Barclays Bank PLC
West Anglian Banking Centre
P O Box 238
Peterborough
Cambs
PE2 8YW

5 STAR CASES LTD

The Directors' Report

Year Ended 30 April 2012

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30 April 2012

Principal activities

The principal activity of the company during the year was that of flight case manufacturers and suppliers to the music and entertainment industry and related trades.

The directors and their interests in the shares of the parent company

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows

	£1 Ordinary in the parent company	
	At 30 April 2012	At 1 May 2011 or later date of appointment
K R Sykes	50	50
J Locks	-	-
Mrs C Sykes	-	-
	<hr/>	<hr/>

The director's interests in the share capital of 5 Star Group Holdings Ltd can be seen within the financial statements of the parent company

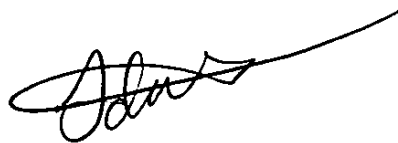
Mrs C Sykes was appointed as a director on 14 July 2011

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
Broad End Industrial Estate
Walsoken
Wisbech
Cambs
PE14 7BQ

Signed by order of the directors



Ms I Bouwhuis
Company Secretary

Approved by the directors on 12 July 2012

5 STAR CASES LTD

Profit and Loss Account

Year Ended 30 April 2012

	Note	2012 £	2011 £
Turnover		3,348,207	2,872,463
Cost of sales		2,232,970	1,882,378
Gross Profit		1,115,237	990,085
Distribution costs		119,588	104,347
Administrative expenses		825,226	797,533
Operating Profit	2	170,423	88,205
Interest payable and similar charges		3,275	3,379
Profit on Ordinary Activities Before Taxation		167,148	84,826
Tax on profit on ordinary activities	3	34,580	18,884
Profit for the Financial Year		132,568	65,942

The notes on pages 6 to 13 form part of these financial statements.

5 STAR CASES LTD

Balance Sheet

30 April 2012

	Note	2012 £	2011 £
Fixed Assets			
Intangible assets	5	–	–
Tangible assets	6	109,648	86,720
		<u>109,648</u>	<u>86,720</u>
Current Assets			
Stocks		<u>387,458</u>	<u>295,497</u>
Debts factored without recourse			
Gross debts (after providing for credit protection fee and accrued interest)		<u>436,762</u>	<u>471,483</u>
		<u>436,762</u>	<u>471,483</u>
Other debtors	7	<u>78,516</u>	<u>179,632</u>
Cash at bank and in hand		<u>17,071</u>	<u>21,099</u>
Total Current Assets		<u>919,807</u>	<u>967,711</u>
Creditors: Amounts Falling due Within One Year	8	<u>788,228</u>	<u>852,302</u>
Net Current Assets		<u>131,579</u>	<u>115,409</u>
Total Assets Less Current Liabilities		<u>241,227</u>	<u>202,129</u>
Creditors: Amounts Falling due after More than One Year	9	4,731	9,278
Provisions for Liabilities			
Deferred taxation	10	<u>15,266</u>	<u>9,031</u>
		<u>221,230</u>	<u>183,820</u>
Capital and Reserves			
Called-up equity share capital	13	1,000	1,000
Share premium account	14	36,072	36,072
Profit and loss account	15	184,158	146,748
Shareholders' Funds		<u>221,230</u>	<u>183,820</u>

The Balance sheet continues on the following page.

The notes on pages 6 to 13 form part of these financial statements.

5 STAR CASES LTD

Balance Sheet *(continued)*

30 April 2012

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 12 July 2012 and are signed on their behalf by

K R Sykes
Director



Company Registration Number 2757991

The notes on pages 6 to 13 form part of these financial statements.

5 STAR CASES LTD

Notes to the Financial Statements

Year Ended 30 April 2012

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Revenue

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

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable

Amortisation

Amortisation 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

Goodwill - 10% per annum straight line

Fixed assets

The cost of tangible fixed assets includes only expenditure directly incurred in bringing the assets into working condition for their intended use

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

Improvements to property	- over the term of the lease
Office Equipment	- 25% per annum straight line
Motor Vehicles	- 25% per annum reducing balance
Computer Equipment	- 33 33% per annum straight line

5 STAR CASES LTD

Notes to the Financial Statements

Year Ended 30 April 2012

1. Accounting Policies *(continued)*

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

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.

Provisions

Provisions are set up only where it is probable that a present obligation (legal or constructive) exists as a result of an event prior to the balance sheet date and that a payment will be required in settlement that can be estimated reliably. Provisions are not discounted.

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

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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.

5 STAR CASES LTD

Notes to the Financial Statements

Year Ended 30 April 2012

2. Operating Profit

Operating profit is stated after charging

	2012 £	2011 £
Directors' remuneration	41,662	41,270
Amortisation of intangible assets	–	2,450
Depreciation of owned fixed assets	24,050	18,084
Depreciation of assets held under hire purchase agreements	<u>5,065</u>	<u>7,027</u>

3. Taxation on Ordinary Activities

(a) Analysis of charge in the year

	2012 £	2011 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 20% (2011 - 20 91%)	28,345	18,149
Total current tax	<u>28,345</u>	<u>18,149</u>
Deferred tax		
Origination and reversal of timing differences (note 10)		
Capital allowances	6,235	735
Tax on profit on ordinary activities	<u>34,580</u>	<u>18,884</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% (2011 - 20 91%)

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>167,148</u>	<u>84,826</u>
Profit on ordinary activities by rate of tax	33,430	17,737
Excess of depreciation above capital allowances	(6,235)	(669)
Disallowable expenditure	883	775
Expensive car lease adjustment	267	299
Sundry tax adjusting items	-	7
Total current tax (note 3(a))	<u>28,345</u>	<u>18,149</u>

5 STAR CASES LTD

Notes to the Financial Statements

Year Ended 30 April 2012

4. Dividends

Equity dividends

	2012 £	2011 £
Equity dividends on ordinary shares paid in the year	<u>95,158</u>	<u>57,579</u>

5. Intangible Fixed Assets

	Goodwill £
Cost	
At 1 May 2011 and 30 April 2012	<u>24,500</u>
Amortisation	
At 1 May 2011 and 30 April 2012	<u>24,500</u>
Net Book Value	
At 30 April 2012	<u>—</u>
At 30 April 2011	<u>—</u>

The goodwill arose on the purchase during a previous year of the trade of Mossman Trunks Ltd. This trade was then incorporated into the trade of 5 Star Cases Ltd. The directors have formed a dormant company called Mossman Trunks Ltd in order to protect the Mossman Trunks name. The directors believe that it is reasonable to write the goodwill arising on acquisition off over a period of ten years.

5 STAR CASES LTD

Notes to the Financial Statements

Year Ended 30 April 2012

6. Tangible Fixed Assets

	Improvements to property £	Office & computer equipment £	Plant and equipment £	Motor vehicles £	Total £
Cost					
At 1 May 2011	97,187	75,330	250,853	13,016	436,386
Additions	–	8,546	31,485	12,012	52,043
At 30 April 2012	97,187	83,876	282,338	25,028	488,429
Depreciation					
At 1 May 2011	69,143	67,491	207,338	5,694	349,666
Charge for the year	1,981	6,053	18,750	2,331	29,115
At 30 April 2012	71,124	73,544	226,088	8,025	378,781
Net Book Value					
At 30 April 2012	26,063	10,332	56,250	17,003	109,648
At 30 April 2011	28,044	7,839	43,515	7,322	86,720

Hire purchase agreements

Included within the net book value of £109,648 is £19,800 (2011 - £23,988) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £5,065 (2011 - £7,027).

7. Other Debtors

	2012 £	2011 £
Trade debtors	(3,403)	41,261
Amounts owed by group undertakings	30,000	90,000
Other debtors & prepayments	51,919	48,371
	78,516	179,632

5 STAR CASES LTD

Notes to the Financial Statements

Year Ended 30 April 2012

8. Creditors: Amounts Falling due Within One Year

	2012 £	2011 £
Trade creditors	372,415	367,419
Other creditors including taxation and social security		
Payments received on account	300,447	365,390
Corporation tax	28,345	18,149
PAYE and social security	18,234	16,198
VAT	17,172	12,176
Hire purchase agreements	11,158	12,674
Directors current accounts	2,493	6,663
Other creditors	15,479	13,454
Accruals and deferred income	22,485	40,179
	<u>788,228</u>	<u>852,302</u>

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

	2012 £	2011 £
Payments received on account	<u>300,447</u>	<u>365,390</u>

Bank Trust Account/Overdraft

At the Balance Sheet date the amounts drawn down from the trust account are secured against the book debts of the company under an invoice discounting arrangement. Additionally the Bank holds a floating charge over the other assets of the company.

In addition there is a cross guarantee in place with 5 Star Group Holdings Ltd

9. Creditors: Amounts Falling due after More than One Year

	2012 £	2011 £
Hire purchase agreements	<u>4,731</u>	<u>9,278</u>

10. Deferred Taxation

The movement in the deferred taxation provision during the year was

	2012 £	2011 £
Provision brought forward	9,031	8,296
Profit and loss account movement arising during the year	6,235	735
Provision carried forward	<u>15,266</u>	<u>9,031</u>

5 STAR CASES LTD

Notes to the Financial Statements

Year Ended 30 April 2012

10. Deferred Taxation *(continued)*

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2012 £	2011 £
Excess of taxation allowances over depreciation on fixed assets	15,266	9,031
	<u>15,266</u>	<u>9,031</u>

11. Commitments under Operating Leases

At 30 April 2012 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	2012 £	2011 £
Operating leases which expire		
Within 1 year	8,075	4,740
Within 2 to 5 years	8,636	10,966
After more than 5 years	76,000	76,000
	<u>92,711</u>	<u>91,706</u>

12. Related Party Transactions

The company was under the control of its parent company 5 Star Group Holdings Ltd throughout the year

Dividends paid to 5 Star Group Holdings Ltd in the year amounted to £90,400 (2011 £54,700)

Dividends paid to the Director K Sykes in the year amounted to £4,758 (2011 £2,879)

The balance due from its parent company 5 Star Group Holdings Ltd at the Balance Sheet date amounted to £30,000 (2011 £90,000)

Amounts due to the Directors at the balance sheet date amounted to

K Sykes	£2,493 (2011 £6,663)
J Locks	£nil (2011 £nil)
Mrs C Sykes	£nil (2011 £nil)

K Sykes is a director and sole shareholder of 5 Star Group Holdings Ltd

5 STAR CASES LTD

Notes to the Financial Statements

Year Ended 30 April 2012

13. Share Capital

Authorised share capital:

	2012	2011
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

14. Share Premium Account

There was no movement on the share premium account during the financial year

15. Profit and Loss Account

	2012	2011
	£	£
Balance brought forward	146,748	138,385
Profit for the financial year	132,568	65,942
Equity dividends	<u>(95,158)</u>	<u>(57,579)</u>
Balance carried forward	<u>184,158</u>	<u>146,748</u>

16. Ultimate Parent Company

The Company is a 95% owned subsidiary of 5 Star Group Holdings Limited, a Company incorporated in the United Kingdom and regarded by the Director as the ultimate Parent Undertaking

5 STAR CASES LTD

Management Information

Year Ended 30 April 2012

The following pages do not form part of the statutory financial statements