

**Report of the Directors and
Financial Statements for the Year Ended 30th September 2010
for
Shopfittings Direct Limited**



Davis Grant LLP
Chartered Certified Accountants and
Statutory Auditors
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

Shopfittings Direct Limited (Registered number: 3580800)

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for the Year Ended 30th September 2010**

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Shopfittings Direct Limited
Company Information
for the Year Ended 30th September 2010

DIRECTORS:

D N Brooks
P M Brooks

SECRETARY:

P M Brooks

REGISTERED OFFICE:

Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

REGISTERED NUMBER:

3580800 (England and Wales)

AUDITORS:

Davis Grant LLP
Chartered Certified Accountants and
Statutory Auditors
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

Shopfittings Direct Limited (Registered number: 3580800)

**Report of the Directors
for the Year Ended 30th September 2010**

The directors present their report with the financial statements of the company for the year ended 30th September 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providing wholesale shopfittings and display materials to the retail industry

REVIEW OF BUSINESS

The directors are very pleased with the performance of the company considering the current economic climate. The continued dedication of a highly motivated team has helped to drive the turnover up by 24% and the gross profit margin up from 33.3% to 36.8%.

During the year the company has continued to increase and develop its large portfolio of blue chip retailer clients and the range of products and services on offer to them.

The company also continues to be managed well which is evident in the reduction of stock, the negligible bad debts, and most significantly the cash flow generated by operating activities of £1,365,888 and the profit before tax of £824,836.

DIVIDENDS

Interim dividends per share were paid as follows

Ordinary A £0.1 shares	£325,000	- 1st October 2009
Ordinary B £0.1 shares	£7,151	- 21st June 2010

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 30th September 2010 will be £332,151.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st October 2009 to the date of this report.

D N Brooks
P M Brooks

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.

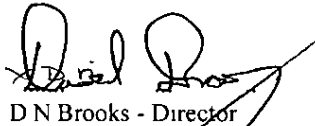
Shopfittings Direct Limited (Registered number: 3580800)



**Report of the Directors
for the Year Ended 30th September 2010**

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

ON BEHALF OF THE BOARD


D N Brooks - Director

Date  - 1 DEC 2010 

**Report of the Independent Auditors to the Shareholders of
Shopfittings Direct Limited**

We have audited the financial statements of Shopfittings Direct Limited for the year ended 30th September 2010 on pages five to fifteen. 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 two, 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 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.

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 30th September 2010 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.

Davis Grant LLP

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- 2 DEC 2010

Date

Shopfittings Direct Limited (Registered number: 3580800)

**Profit and Loss Account
for the Year Ended 30th September 2010**

	Notes	2010 £	2009 £
TURNOVER	2	10,632,393	8,556,244
Cost of sales		<u>6,720,003</u>	<u>5,705,616</u>
GROSS PROFIT		3,912,390	2,850,628
Administrative expenses		<u>3,086,649</u>	<u>2,660,442</u>
OPERATING PROFIT	4	825,741	190,186
Interest receivable and similar income		<u>-</u>	<u>1,434</u>
		825,741	191,620
Interest payable and similar charges	5	<u>905</u>	<u>4,742</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		824,836	186,878
Tax on profit on ordinary activities	6	<u>231,459</u>	<u>43,853</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>593,377</u>	<u>143,025</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

Shopfittings Direct Limited (Registered number: 3580800)

**Balance Sheet
30th September 2010**


	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	8	19,910	110,260
CURRENT ASSETS			
Stocks	9	200,442	289,634
Debtors	10	2,641,143	2,362,801
Cash at bank and in hand		<u>632,979</u>	<u>881</u>
		3,474,564	2,653,316
CREDITORS			
Amounts falling due within one year	11	<u>2,496,945</u>	<u>2,016,499</u>
NET CURRENT ASSETS		<u>977,619</u>	<u>636,817</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>997,529</u>	<u>747,077</u>
PROVISIONS FOR LIABILITIES	15	<u>-</u>	<u>10,774</u>
NET ASSETS		<u><u>997,529</u></u>	<u><u>736,303</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	200	200
Share premium	17	99,990	99,990
Profit and loss account	17	<u>897,339</u>	<u>636,113</u>
SHAREHOLDERS' FUNDS	20	<u><u>997,529</u></u>	<u><u>736,303</u></u>

- 1 DEC 2010

The financial statements were approved by the Board of Directors on its behalf by

and were signed on


D N Brooks - Director


P M Brooks - Director

The notes form part of these financial statements

Shopfittings Direct Limited (Registered number: 3580800)

**Cash Flow Statement
for the Year Ended 30th September 2010**

	Notes	2010 £	2009 £
Net cash inflow from operating activities	1	1,365,888	1,162,901
Returns on investments and servicing of finance	2	(905)	(3,308)
Taxation		(45,224)	(44,307)
Capital expenditure	2	(14,368)	(7,368)
Equity dividends paid		<u>(332,151)</u>	<u>(72,599)</u>
		973,240	1,035,319
Financing	2	<u>183,465</u>	<u>(60,628)</u>
Increase in cash in the period		<u>1,156,705</u>	<u>974,691</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		<u>1,156,705</u>	<u>974,691</u>
Change in net debt resulting from cash flows		<u>1,156,705</u>	<u>974,691</u>
Movement in net debt in the period		1,156,705	974,691
Net debt at 1st October		<u>(551,761)</u>	<u>(1,526,452)</u>
Net funds/(debt) at 30th September		<u>604,944</u>	<u>(551,761)</u>

The notes form part of these financial statements

Shopfittings Direct Limited (Registered number: 3580800)

**Notes to the Cash Flow Statement
for the Year Ended 30th September 2010**

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

	2010 £	2009 £
Operating profit	825,741	190,186
Depreciation charges	104,718	28,678
Decrease in stocks	89,192	456,565
(Increase)/Decrease in debtors	(300,921)	867,315
Increase/(Decrease) in creditors	<u>647,158</u>	<u>(379,843)</u>
Net cash inflow from operating activities	<u>1,365,888</u>	<u>1,162,901</u>

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

	2010 £	2009 £
Returns on investments and servicing of finance		
Interest received	-	1,434
Interest paid	<u>(905)</u>	<u>(4,742)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(905)</u>	<u>(3,308)</u>
Capital expenditure		
Purchase of tangible fixed assets	<u>(14,368)</u>	<u>(7,368)</u>
Net cash outflow for capital expenditure	<u>(14,368)</u>	<u>(7,368)</u>
Financing		
Loan repayments in year	-	(30,000)
Amount introduced by directors	190,103	-
Amount withdrawn by directors	<u>(6,638)</u>	<u>(30,628)</u>
Net cash inflow/(outflow) from financing	<u>183,465</u>	<u>(60,628)</u>

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1/10/09 £	Cash flow £	At 30/9/10 £
Net cash			
Cash at bank and in hand	881	632,098	632,979
Bank overdrafts	<u>(552,642)</u>	<u>524,607</u>	<u>(28,035)</u>
	<u>(551,761)</u>	<u>1,156,705</u>	<u>604,944</u>
Total	<u>(551,761)</u>	<u>1,156,705</u>	<u>604,944</u>

The notes form part of these financial statements

Shopfittings Direct Limited (Registered number: 3580800)

**Notes to the Financial Statements
for the Year Ended 30th September 2010**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Fixed assets require the review of the residual value and the useful life of an asset at least at each financial year end. The company revised the estimated residual values of computer equipment and fixtures and fitting with effect from 1st October 2009

The revisions were accounted for prospectively as a change in accounting estimates and as a result, the depreciation charges of the company for the current financial year end have been increased by £101,127

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

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

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.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below

	2010	2009
	£	£
United kingdom	9,261,533	7,482,113
Europe	563,748	611,320
Rest of the world	807,112	462,811
	<u>10,632,393</u>	<u>8,556,244</u>

Shopfittings Direct Limited (Registered number: 3580800)

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2010**

3 STAFF COSTS

	2010	2009
	£	£
Labour costs	1,619,232	1,224,780
Social security costs	73,178	130,371
Other pension costs	<u>109,970</u>	<u>48,033</u>
	<u>1,802,380</u>	<u>1,403,184</u>

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

	2010	2009
Administrative	<u>31</u>	<u>31</u>

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2010	2009
	£	£
Hire of plant and machinery	32,740	18,885
Depreciation - owned assets	104,718	39,978
Auditors' remuneration	14,684	13,865
(Profit)/Loss on foreign exchange transactions	(285,751)	(38,884)
Operating lease rentals	<u>115,156</u>	<u>111,585</u>

Directors' remuneration	<u>109,850</u>	<u>211,551</u>
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The number of directors to whom retirement benefits were accruing was as follows

Defined benefit schemes	<u>2</u>	<u>2</u>
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5 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Bank interest	377	-
Invoice discounting interest	<u>528</u>	<u>4,742</u>
	<u>905</u>	<u>4,742</u>

Notes to the Financial Statements - continued
for the Year Ended 30th September 2010

6 TAXATION

Analysis of the tax charge

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

	2010 £	2009 £
Current tax		
UK corporation tax	249,570	45,232
Deferred tax	<u>(18,111)</u>	<u>(1,379)</u>
Tax on profit on ordinary activities	<u>231,459</u>	<u>43,853</u>

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2010 £	2009 £
Profit on ordinary activities before tax	<u>824,836</u>	<u>186,878</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 21%)	230,954	39,244
Effects of		
Non deductible expenses	6,646	4,609
Depreciation add back	29,320	6,022
Capital allowances	(7,325)	(4,643)
Marginal relief	<u>(10,025)</u>	<u>-</u>
Current tax charge	<u>249,570</u>	<u>45,232</u>

7 DIVIDENDS

	2010 £	2009 £
Ordinary A shares of £0.1 each		
Interim	325,000	65,000
Ordinary B shares of £0.1 each		
Interim	<u>7,151</u>	<u>7,599</u>
	<u>332,151</u>	<u>72,599</u>

Shopfittings Direct Limited (Registered number: 3580800)

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2010**

8 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1st October 2009	155,363	214,551	369,914
Additions	<u>8,900</u>	<u>5,468</u>	<u>14,368</u>
At 30th September 2010	<u>164,263</u>	<u>220,019</u>	<u>384,282</u>
DEPRECIATION			
At 1st October 2009	95,045	164,609	259,654
Charge for year	<u>61,684</u>	<u>43,034</u>	<u>104,718</u>
At 30th September 2010	<u>156,729</u>	<u>207,643</u>	<u>364,372</u>
NET BOOK VALUE			
At 30th September 2010	<u>7,534</u>	<u>12,376</u>	<u>19,910</u>
At 30th September 2009	<u>60,318</u>	<u>49,942</u>	<u>110,260</u>

9 STOCKS

	2010 £	2009 £
Stocks	<u>200,442</u>	<u>289,634</u>

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Trade debtors	2,514,874	1,980,147
Directors' current accounts	-	29,916
Deferred tax asset	7,337	-
Prepayments and accrued income	<u>118,932</u>	<u>352,738</u>
	<u>2,641,143</u>	<u>2,362,801</u>

The amount of outstanding trade debtors that had been allocated to the factoring company as at the balance sheet date was £2,175,821 (2009 £1,643,158)

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Bank loans and overdrafts (see note 12)	28,035	552,642
Trade creditors	1,158,556	925,742
Amounts owed to related parties	54,459	40,000
Corporation tax	249,570	45,224
PAYE	-	37,139
VAT	284,463	140,579
Other creditors	12,648	17,322
Directors' current accounts	153,549	-
Accrued expenses	<u>555,665</u>	<u>257,851</u>
	<u>2,496,945</u>	<u>2,016,499</u>

Shopfittings Direct Limited (Registered number: 3580800)

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2010**

12 LOANS

An analysis of maturity of loans is given below,

	2010 £	2009 £
Amounts falling due within one year or on demand,		
Bank Overdrafts	28,035	92,997
Invoice discounting	-	459,645
	<u>28,035</u>	<u>552,642</u>

13 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2010 £	2009 £	2010 £	2009 £
Expiring				
Within one year	-	-	3,752	7,718
Between one and five years	42,200	42,200	38,972	3,752
	<u>42,200</u>	<u>42,200</u>	<u>42,724</u>	<u>11,470</u>

14 SECURED DEBTS

The following secured debts are included within creditors

	2010 £	2009 £
Invoice discounting	-	459,645
Bank Overdrafts	28,035	92,997
	<u>28,035</u>	<u>552,642</u>

Bank loans and overdrafts are secured on fixed and floating charges over the undertaking and all property and assets present and future including goodwill bookdebts uncalled capital building fixtures fixed plant and machinery

15 PROVISIONS FOR LIABILITIES

	2009 £
Deferred tax	<u>10,774</u>

Shopfittings Direct Limited (Registered number: 3580800)

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2010**

15 PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1st October 2009	10,774
Accelerated capital allowances	<u>(18,111)</u>
Balance at 30th September 2010	<u>(7,337)</u>

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid		2010	2009
Number	Class	£	£
1,900	Ordinary A	190	190
100	Ordinary B	<u>10</u>	<u>10</u>
		<u>200</u>	<u>200</u>

17 RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1st October 2009	636,113	99,990	736,103
Profit for the year	593,377		593,377
Dividends	<u>(332,151)</u>		<u>(332,151)</u>
At 30th September 2010	<u>897,339</u>	<u>99,990</u>	<u>997,329</u>

18 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 30th September 2010 and 30th September 2009

	2010 £	2009 £
D N Brooks		
Balance outstanding at start of year	9,457	529
Balance outstanding at end of year	-	9,457
Maximum balance outstanding during year	<u>17,468</u>	<u>23,085</u>
P M Brooks		
Balance outstanding at start of year	20,456	519
Balance outstanding at end of year	-	20,456
Maximum balance outstanding during year	<u>28,473</u>	<u>55,391</u>

The loans to all directors are repayable on demand. Interest is charged on loans at the official rate of interest set by HMRC.

Shopfittings Direct Limited (Registered number: 3580800)

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2010**

19 RELATED PARTY DISCLOSURES

The directors have a material interest in Shopfittings Direct (Shop) Limited as directors and shareholders

During the year Shopfittings Direct Limited made sales totalling £26,242 to Shopfittings Direct (Shop) Limited
The company also made purchases totalling £728 from Shopfittings Direct (Shop) Limited

At the year end Shopfittings Direct Limited owed Shopfittings Direct (Shop) Limited £nil (2009 - £40,189)

The directors have a material interest in Cubic LLP as members

During the year ended 30th September 2010, Cubic LLP recharged labour costs totalling £682,965 and expenses totalling £61,756 to Shopfittings Direct Limited

At the year end Shopfittings Direct Limited owed Cubic LLP £54,459 This has been disclosed in Creditors Amounts owed to related parties

Shopfittings Direct Limited owns 20% of the shares in Tens Joinery Limited During the year, the company made purchases from Tens Joinery Limited totalling £19,100 At the year end Shopfittings Direct Limited owed the company £3,226 This has been disclosed in trade creditors within the financial statements

During the year, dividends totalling £325,000 were paid to the directors, D Brooks and P Brooks

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010	2009
	£	£
Profit for the financial year	593,377	143,025
Dividends	(332,151)	(72,599)
Net addition to shareholders' funds	261,226	70,426
Opening shareholders' funds	736,303	665,877
Closing shareholders' funds	997,529	736,303