

REGISTERED NUMBER 03707886 (England and Wales)

**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**  
**FOR**  
**THE ARDEN HOTEL LIMITED**

MONDAY



\*A1NYCCJV\*

A31

17/12/2012

#82

COMPANIES HOUSE

**THE ARDEN HOTEL LIMITED**

**CONTENTS OF THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

---

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors on the Abbreviated Accounts</b>	<b>4</b>
<b>Abbreviated Profit and Loss Account</b>	<b>5</b>
<b>Abbreviated Balance Sheet</b>	<b>6</b>
<b>Cash Flow Statement</b>	<b>7</b>
<b>Notes to the Cash Flow Statement</b>	<b>8</b>
<b>Notes to the Abbreviated Accounts</b>	<b>10</b>

---

**THE ARDEN HOTEL LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2012**

---

**DIRECTORS:**

D J Gardner  
S J M Gardner  
A G Cheal  
J E Gardner  
Mrs R M Gardner  
P L Bretherton

**SECRETARY**

D J Gardner

**REGISTERED OFFICE**

Coventry Road  
Bickenhill  
Solihull  
West Midlands  
B92 0EH

**REGISTERED NUMBER.**

03707886 (England and Wales)

**AUDITORS**

Williams, Anderson & Dudley  
Registered Auditors  
359 Yardley Road  
Yardley  
Birmingham  
West Midlands  
B25 8NB

**BANKERS:**

Barclays Bank Plc  
One Snowhill  
Snow Hill Queensway  
Birmingham  
West Midlands  
B4 6GN

**SOLICITORS.**

Hammonds LLP  
Rutland House  
148 Edmund Street  
Birmingham  
B3 2JR

## **THE ARDEN HOTEL LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2012**

---

The directors present their report with the accounts of the company for the year ended 30 June 2012

#### **PRINCIPAL ACTIVITIES**

The principal activities of the company in the year under review were those of a hotel, restaurant and leisure club

#### **REVIEW OF BUSINESS**

Sales of £3,634,696 were achieved during the year, just £7,672 lower than last year. Despite the outlook for the broader economy being rather gloomy, we forecast modest growth of 1-2% in sales for the forthcoming year. This is largely attributed to our growing presence on the internet. However, as in previous years, forecasting is notoriously difficult and getting harder, due to booking lead times reducing.

Gross margins fell marginally from 83.7% to 83.0%. Like last year, we attribute this to an increase in raw material prices due to economy wide inflation coupled with constant sales meaning that efficiencies are lower. Total overheads remained consistent over the period. Wages and staff costs were relatively constant, being 1% lower than the previous year. As highlighted in last year's report, light and heat has reverted to levels experienced in the year ended 30 June 2010 as a result of last year's favourable contract pricing. Commission charges continued to increase (by some 22.5% on last year) as a direct result of the growth of internet sales.

Interest payments continued to decline (as a result of rates remaining constant and amount outstanding declining). Likewise depreciation decreased as there were no significant additions during the year.

Overall a particularly tough year, although the company managed to service all of its commitments. The outlook remains tough, although we anticipate next year's results should show an improvement as we continue to adapt to the changing environment.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 30 June 2012.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2011 to the date of this report.

D J Gardner  
S J M Gardner  
A G Cheal  
J E Gardner  
Mrs R M Gardner  
P L Bretherton

#### **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 ARDEN HOTEL LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 JUNE 2012**

---

**STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

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.

**ON BEHALF OF THE BOARD:**



D J Gardner - Director

2 November 2012

**REPORT OF THE INDEPENDENT AUDITORS TO  
THE ARDEN HOTEL LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

---

We have examined the abbreviated accounts set out on pages five to seventeen, together with the full financial statements of The Arden Hotel Limited for the year ended 30 June 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

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

**Basis of opinion**

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

**Opinion**

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



Leigh Martyn Dudley FCCA (Senior Statutory Auditor)  
for and on behalf of Williams, Anderson & Dudley  
Registered Auditors  
359 Yardley Road  
Yardley  
Birmingham  
West Midlands  
B25 8NB

2 November 2012

**THE ARDEN HOTEL LIMITED****ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	30 6 12 £	30 6 11 £
<b>TURNOVER</b>		3,634,696	3,642,368
Cost of sales		(617,266)	(595,107)
		<u>3,017,430</u>	<u>3,047,261</u>
Administrative expenses		<u>2,782,623</u>	<u>2,773,161</u>
<b>OPERATING PROFIT</b>	3	234,807	274,100
Interest receivable and similar income		<u>8</u>	<u>6</u>
		<u>234,815</u>	<u>274,106</u>
Interest payable and similar charges	4	<u>82,333</u>	<u>94,601</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		152,482	179,505
Tax on profit on ordinary activities	5	<u>7,627</u>	<u>83,529</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>144,855</u></u>	<u><u>95,976</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 abbreviated accounts

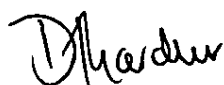
**THE ARDEN HOTEL LIMITED**

**ABBREVIATED BALANCE SHEET**  
**30 JUNE 2012**

	Notes	30 6 12		30 6 11	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		8,165,078		8,455,096
Investments	8		50,000		50,000
			<u>8,215,078</u>		<u>8,505,096</u>
<b>CURRENT ASSETS</b>					
Stocks	9	26,634		37,297	
Debtors	10	108,637		160,116	
Cash in hand		8,223		15,455	
		<u>143,494</u>		<u>212,868</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	1,213,492		1,200,952	
<b>NET CURRENT LIABILITIES</b>			<u>(1,069,998)</u>		<u>(988,084)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			7,145,080		7,517,012
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		(2,733,014)		(3,166,347)
<b>PROVISIONS FOR LIABILITIES</b>	16		<u>(45,546)</u>		<u>(129,000)</u>
<b>NET ASSETS</b>			<u><u>4,366,520</u></u>		<u><u>4,221,665</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		29,900		29,900
Profit and loss account	18		4,336,620		4,191,765
<b>SHAREHOLDERS' FUNDS</b>	20		<u><u>4,366,520</u></u>		<u><u>4,221,665</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 2 November 2012 and were signed on its behalf by



D J Gardner - Director

The notes form part of these abbreviated accounts



**THE ARDEN HOTEL LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	30 6 12	30 6 11
		£	£
<b>Net cash inflow from operating activities</b>	1	591,952	592,474
<b>Returns on investments and servicing of finance</b>	2	(82,325)	(102,660)
<b>Taxation</b>		(96,529)	(183,236)
<b>Capital expenditure</b>	2	(1,915)	(1,830)
<b>Equity dividends paid</b>		-	(125,000)
		<u>411,183</u>	<u>179,748</u>
<b>Financing</b>	2	(433,333)	(433,333)
<b>Decrease in cash in the period</b>		<u>(22,150)</u>	<u>(253,585)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Decrease in cash in the period		(22,150)	(253,585)
Cash outflow from decrease in debt		<u>433,333</u>	<u>433,333</u>
Change in net debt resulting from cash flows		<u>411,183</u>	<u>179,748</u>
<b>Movement in net debt in the period</b>		<u>411,183</u>	<u>179,748</u>
<b>Net debt at 1 July</b>		<u>(3,842,772)</u>	<u>(4,022,520)</u>
<b>Net debt at 30 June</b>		<u>(3,431,589)</u>	<u>(3,842,772)</u>

The notes form part of these abbreviated accounts

**THE ARDEN HOTEL LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

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

	30 6 12	30 6 11
	£	£
Operating profit	234,807	274,100
Depreciation charges	291,933	314,828
Decrease/(increase) in stocks	10,663	(5,679)
Decrease in debtors	51,479	67,845
Increase/(decrease) in creditors	3,070	(58,620)
<b>Net cash inflow from operating activities</b>	<b>591,952</b>	<b>592,474</b>

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

	30 6 12	30 6 11
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	8	6
Interest paid	(82,333)	(102,666)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(82,325)</b>	<b>(102,660)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(1,915)	(1,830)
<b>Net cash outflow for capital expenditure</b>	<b>(1,915)</b>	<b>(1,830)</b>
<b>Financing</b>		
Loan repayments in year	(433,333)	(433,333)
<b>Net cash outflow from financing</b>	<b>(433,333)</b>	<b>(433,333)</b>

The notes form part of these abbreviated accounts

**THE ARDEN HOTEL LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 7 11 £	Cash flow £	At 30 6 12 £
Net cash			
Cash at bank and in hand	15,455	(7,232)	8,223
Bank overdraft	<u>(258,547)</u>	<u>(14,918)</u>	<u>(273,465)</u>
	<u>(243,092)</u>	<u>(22,150)</u>	<u>(265,242)</u>
Debt			
Debts falling due within one year	(433,333)	-	(433,333)
Debts falling due after one year	<u>(3,166,347)</u>	<u>433,333</u>	<u>(2,733,014)</u>
	<u>(3,599,680)</u>	<u>433,333</u>	<u>(3,166,347)</u>
Total	<u><u>(3,842,772)</u></u>	<u><u>411,183</u></u>	<u><u>(3,431,589)</u></u>

The notes form part of these abbreviated accounts

# THE ARDEN HOTEL LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 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

#### Tangible fixed assets

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

Freehold property	- 5% on cost and 2% on cost
Fixtures, fittings, plant and equipment	- 25% on cost and 15% on reducing balance
Computer equipment	- 25% on cost

No depreciation is provided on the land element of freehold property

#### 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

#### 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

#### Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value

### 2 STAFF COSTS

	30 6 12	30 6 11
	£	£
Wages and salaries	1,300,620	1,307,584
Social security costs	80,659	85,405
	<u>1,381,279</u>	<u>1,392,989</u>

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

	30 6 12	30 6 11
Management and administration staff	3	3
Restaurant and hotel staff	111	111
	<u>114</u>	<u>114</u>

**THE ARDEN HOTEL LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2012****3 OPERATING PROFIT**

The operating profit is stated after charging

	30 6 12	30 6 11
	£	£
Equipment rental	62,398	66,743
Depreciation - owned assets	291,933	314,828
Other operating leases	10,000	10,000
Auditors' remuneration	4,800	4,800
	<u>          </u>	<u>          </u>
Directors' remuneration	150,000	150,000
	<u>          </u>	<u>          </u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	30 6 12	30 6 11
	£	£
Bank interest	63,460	81,270
Loan note interest	18,873	13,331
	<u>          </u>	<u>          </u>
	82,333	94,601
	<u>          </u>	<u>          </u>

**5 TAXATION****Analysis of the tax charge**

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

	30 6 12	30 6 11
	£	£
Current tax		
UK corporation tax	91,081	96,529
Deferred tax	(83,454)	(13,000)
	<u>          </u>	<u>          </u>
Tax on profit on ordinary activities	7,627	83,529
	<u>          </u>	<u>          </u>

UK corporation tax has been charged at 25.50% (2011 - 27.50%)

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2012

5 TAXATION - continued

**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

	30 6 12 £	30 6 11 £
Profit on ordinary activities before tax	<u>152,482</u>	<u>179,505</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.500% (2011 - 27.500%)	38,883	49,364
Effects of Depreciation in excess of capital allowances	67,104	65,434
Marginal tax relief	<u>(14,906)</u>	<u>(18,269)</u>
Current tax charge	<u>91,081</u>	<u>96,529</u>

**Factors that may affect future tax charges**

Due to the phased removal of Industrial Buildings allowances, future tax charges were expected to increase until the year ended 30 June 2012, when the effect will stabilise as the phasing out will be complete. This has proved to be the case and therefore a stabilisation of tax charges is expected in the next financial year.

No deferred taxation has been provided in respect of any future capital gain on the company's freehold property as it is not anticipated that the property will be disposed of within the foreseeable future.

6 DIVIDENDS

	30 6 12 £	30 6 11 £
Ordinary shares of £1 each		
Interim dividends	<u>-</u>	<u>125,000</u>

**THE ARDEN HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2012**

**7 TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures, fittings, plant and equipment £	Computer equipment £	Totals £
<b>COST</b>				
At 1 July 2011	10,793,303	2,334,358	98,591	13,226,252
Additions	-	1,915	-	1,915
At 30 June 2012	10,793,303	2,336,273	98,591	13,228,167
<b>DEPRECIATION</b>				
At 1 July 2011	2,697,963	1,975,111	98,082	4,771,156
Charge for year	230,865	60,559	509	291,933
At 30 June 2012	2,928,828	2,035,670	98,591	5,063,089
<b>NET BOOK VALUE</b>				
At 30 June 2012	7,864,475	300,603	-	8,165,078
At 30 June 2011	8,095,340	359,247	509	8,455,096

Included in cost of land and buildings is freehold land of £1,500,000 (2011 - £1,500,000) which is not depreciated

**8 FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 July 2011 and 30 June 2012	50,000
<b>NET BOOK VALUE</b>	
At 30 June 2012	50,000
At 30 June 2011	50,000

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

**Arden Restaurant & Hotel Limited**  
Nature of business Dormant

	% holding		
Class of shares			
Ordinary	79.55	30.6.12 £	30.6.11 £
Aggregate capital and reserves		50,000	50,000

**THE ARDEN HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2012**

**8 FIXED ASSET INVESTMENTS - continued**

**Kelube Limited**

Nature of business Dormant

Class of shares	% holding		
Ordinary	100 00	30 6 12	30 6 11
		£	£
Aggregate capital and reserves		<u>1,000</u>	<u>1,000</u>

**9 STOCKS**

	30 6 12	30 6 11
	£	£
Stocks	<u>26,634</u>	<u>37,297</u>

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

	30 6 12	30 6 11
	£	£
Trade debtors	100,097	149,561
Prepayments and accrued income	<u>8,540</u>	<u>10,555</u>
	<u>108,637</u>	<u>160,116</u>

**11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30 6 12	30 6 11
	£	£
Bank loans and overdrafts (see note 13)	706,798	691,880
Trade creditors	161,935	136,532
Amounts owed to group undertakings	50,000	50,000
Tax	91,081	96,529
Social security and other taxes	134,408	122,928
Accruals and deferred income	<u>69,270</u>	<u>103,083</u>
	<u>1,213,492</u>	<u>1,200,952</u>

**12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30 6 12	30 6 11
	£	£
Bank loans (see note 13)	833,334	1,266,667
Other loans (see note 13)	<u>1,899,680</u>	<u>1,899,680</u>
	<u>2,733,014</u>	<u>3,166,347</u>



**THE ARDEN HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2012**

**13 LOANS**

An analysis of the maturity of loans is given below

	30 6 12 £	30 6 11 £
Amounts falling due within one year or on demand		
Bank overdrafts	273,465	258,547
Bank loans	433,333	433,333
	<u>706,798</u>	<u>691,880</u>
Amounts falling due between one and two years		
Bank loans	<u>433,333</u>	<u>433,333</u>
Amounts falling due between two and five years		
Bank loans	400,001	833,334
Other loans	1,899,680	1,899,680
	<u>2,299,681</u>	<u>2,733,014</u>

Bank loans are repayable by quarterly instalments. Interest on the bank loans is chargeable at 1 15% over Barclays base rate

The loan notes are repayable by 2014. Interest is charged at Libor rate

**14 OPERATING LEASE COMMITMENTS**

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

		Land and buildings
	30 6 12 £	30 6 11 £
Expiring		
Between one and five years	<u>10,000</u>	<u>10,000</u>

**THE ARDEN HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2012**

**15 SECURED DEBTS**

The following secured debts are included within creditors

	30 6 12	30 6 11
	£	£
Bank overdrafts	273,465	258,547
Bank loans	1,266,667	1,700,000
	<u>1,540,132</u>	<u>1,958,547</u>

The bank loans and overdrafts are secured by a charge over Arden Hotel & Restaurant, Coventry Road, Bickenhill, Solihull dated 13 September 1999 and also by a cross guarantee and debenture between Arden Restaurant & Hotel Limited and The Arden Hotel Limited dated 4 March 1999

**16 PROVISIONS FOR LIABILITIES**

	30 6 12	30 6 11
	£	£
Deferred tax	<u>45,546</u>	<u>129,000</u>
		Deferred tax
		£
Balance at 1 July 2011		129,000
Credit to profit and loss account during year		(83,454)
Balance at 30 June 2012		<u>45,546</u>

The provision for deferred taxation has not been discounted as it is the directors' belief that it will have no material impact upon the financial statements

**17 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			30 6 12	30 6 11
Number	Class	Nominal value	£	£
29,900	Ordinary	£1	<u>29,900</u>	<u>29,900</u>

**18 RESERVES**

	Profit and loss account
	£
At 1 July 2011	4,191,765
Profit for the year	144,855
At 30 June 2012	<u>4,336,620</u>

**THE ARDEN HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2012**

---

**19 RELATED PARTY DISCLOSURES**

The loan notes included within creditors are unsecured and are owned by J E Gardner and Mrs R M Gardner (£899,840) and P L Bretherton (£999,840). During the year ended 30 June 2012 the company paid interest on these loan notes amounting to £8,940 (2011 £6,315) to J E and Mrs R M Gardner and £9,933 (2011 £7,016) to P L Bretherton.

Also, during the year, the company was charged rent of £10,000 (2011 £10,000) for the use of certain land owned by J E Gardner, P L Bretherton, S J M Gardner, A G Cheal and D J Gardner. Prior to January 2009, this land was owned by J E Gardner and P L Bretherton only.

**20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	30 6 12	30 6 11
	£	£
Profit for the financial year	144,855	95,976
Dividends	-	(125,000)
<b>Net addition/(reduction) to shareholders' funds</b>	<b>144,855</b>	<b>(29,024)</b>
Opening shareholders' funds	4,221,665	4,250,689
<b>Closing shareholders' funds</b>	<b>4,366,520</b>	<b>4,221,665</b>