

**A-BELCO PROPERTY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2013**



UNW LLP

Chartered Accountants & Statutory Auditor
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

A-BELCO PROPERTY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

J Kelly
J A Kelly
G Kelly
A W Kelly
B I Trench

Company secretary

B I Trench

Registered office

Jubilee Industrial Estate
Ashington
Northumberland
NE63 8UG

Auditor

UNW LLP
Chartered Accountants
& Statutory Auditor
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

Lloyds TSB Bank Plc
PO Box 1SL
102 Grey Street
Newcastle upon Tyne
NE99 1SL

A-BELCO PROPERTY LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2013

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2013

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a holding company and the management of property

The principal activities of the group were -

- The manufacture and sale of explosion proof electrical equipment, control stations and lighting,
- The manufacture and sale of British Standard industrial plugs and sockets along with combination units,
- The manufacture and supply of electrical equipment to the rail industry, and
- The manufacture and supply of prefabricated mechanical and electrical modules to the construction industry servicing schools, hospitals, commercial and retail projects

The group has experienced a very positive year with revenues and profits improving in all areas of its trading business

In the group's dealings with the construction industry, it has seen revenues improve by 180% and a return to profit. The directors are confident that this sector of the business will continue to generate profits in the year to March 2014

In the other main business area of the group, the manufacture of electrical products and lighting, the group has seen further significant growth with turnover up by 29% over 2012 levels and gross margins improving from 40% to 44%, due to continued diligence in procurement and strategic supplier alliances

Whilst the bulk of the sales increase is due to non EU export orders (up 51% on 2012's level, and now accounting for 54% of total turnover) the group also achieved increases of 18% and 13% in the UK and EU respectively. The group's unique LED products continue to generate significant interest and orders from the Oil and Gas industry worldwide and 2014 has started well, with a solid order book. The directors are therefore confident that this will be another profitable year for this sector of the business

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £2,078,094. The directors have not recommended a dividend

A-BELCO PROPERTY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's activities to which this company belongs, expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk

Cash flow risk

The group's activities expose it primarily to the financial risks of slow payment from trade receivables and to delayed conversion of long term work in progress into sales. In order to mitigate these risks the group uses invoice discounting to expedite receipts from sales. Procedures are also in place to ensure applications for payment on long term projects are submitted at the earliest opportunity. However as the profitability of the group has been improving the group is building cash reserves to mitigate any future cash flow risk.

Credit risk

The group's principal financial assets are bank balances and cash, trade and other receivables and stock and work in progress. The group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful debts. The company has credit insurance in place which provides a level of comfort in respect of this risk.

Liquidity risk

The group uses short and long term forecasting to identify future cash requirements, including any peaks. Procurement procedures are designed to ensure sales orders can be met without liquidity issues and stock levels are closely monitored. The group has good credit facilities with suppliers and works closely with them to maintain this. The shareholders have indicated that they are happy with the forward projections of the group and are prepared to provide any necessary support.

DIRECTORS

The directors who served the company during the year were as follows

J Kelly
J A Kelly
G Kelly
A W Kelly
B I Trench

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report 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 the group and of the profit or loss of the group for that year.

In preparing those 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 group will continue in business.

A-BELCO PROPERTY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group 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 group'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

UNW LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office
Jubilee Industrial Estate
Ashington
Northumberland
NE63 8UG

Signed on behalf of the directors



B I TRENCH

Director

Approved by the directors on 5 July 2013

A-BELCO PROPERTY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF A-BELCO PROPERTY LIMITED

YEAR ENDED 31 MARCH 2013

We have audited the group and parent company financial statements ("the financial statements") of A-Belco Property Limited for the year ended 31 March 2013. 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 pages 3 to 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2013 and of the group's 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

A-BELCO PROPERTY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF A-BELCO PROPERTY LIMITED *(continued)*

YEAR ENDED 31 MARCH 2013

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



ANDREW WILSON BA FCA (Senior
Statutory Auditor)
For and on behalf of
UNW LLP
Chartered Accountants
& Statutory Auditor

Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

5 July 2013

A-BELCO PROPERTY LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2013

	Note	2013 £	2012 £
GROUP TURNOVER	2	15,213,426	9,912,742
Cost of sales		<u>(8,572,003)</u>	<u>(5,847,371)</u>
GROSS PROFIT		6,641,423	4,065,371
Distribution costs		<u>(408,299)</u>	<u>(207,664)</u>
Administrative expenses		<u>(3,662,403)</u>	<u>(2,765,781)</u>
OPERATING PROFIT	3	2,570,721	1,091,926
Interest receivable		1,912	–
Interest payable and similar charges	6	<u>(16,192)</u>	<u>(60,830)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,556,441	1,031,096
Tax on profit on ordinary activities	7	<u>(320,913)</u>	<u>(269,507)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		2,235,528	761,589
Minority interests		<u>(157,434)</u>	<u>(48,860)</u>
PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY	8	2,078,094	712,729
PROFIT FOR THE FINANCIAL YEAR		2,078,094	712,729

All of the activities of the group are classed as continuing

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

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 11 to 22 form part of these financial statements

A-BELCO PROPERTY LIMITED

GROUP BALANCE SHEET

31 MARCH 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	9	<u>2,018,371</u>	<u>1,961,921</u>
CURRENT ASSETS			
Stocks	11	1,289,388	752,645
Debtors	12	2,250,414	2,515,463
Cash at bank and in hand		<u>2,303,998</u>	<u>541,308</u>
		5,843,800	3,809,416
CREDITORS: Amounts falling due within one year	13	<u>(3,345,096)</u>	<u>(3,420,485)</u>
NET CURRENT ASSETS		<u>2,498,704</u>	<u>388,931</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,517,075</u>	<u>2,350,852</u>
CREDITORS: Amounts falling due after more than one year	14	<u>(715,436)</u>	<u>(784,741)</u>
		3,801,639	1,566,111
MINORITY INTERESTS		<u>(202,529)</u>	<u>(45,095)</u>
		<u>3,599,110</u>	<u>1,521,016</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	233	233
Share premium account	20	174	174
Other reserves	20	1,841,251	1,841,251
Profit and loss account	20	<u>1,757,452</u>	<u>(320,642)</u>
SHAREHOLDERS' FUNDS	21	<u>3,599,110</u>	<u>1,521,016</u>

These financial statements were approved by the directors and authorised for issue on 5 July 2013, and are signed on their behalf by



B I TRENCH
Director

The notes on pages 11 to 22 form part of these financial statements.

A-BELCO PROPERTY LIMITED

BALANCE SHEET

31 MARCH 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	9	1,613,013	1,577,545
Investments	10	300,001	590,000
		<u>1,913,014</u>	<u>2,167,545</u>
CURRENT ASSETS			
Debtors	12	15,601	137,201
Cash at bank		787,645	372,183
		<u>803,246</u>	<u>509,384</u>
CREDITORS. Amounts falling due within one year	13	<u>(310,169)</u>	<u>(426,212)</u>
NET CURRENT ASSETS		<u>493,077</u>	<u>83,172</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,406,091</u>	<u>2,250,717</u>
CREDITORS. Amounts falling due after more than one year	14	<u>(692,282)</u>	<u>(751,783)</u>
		<u>1,713,809</u>	<u>1,498,934</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	233	233
Share premium account	20	174	174
Other reserves	20	299,942	299,942
Profit and loss account	20	1,413,460	1,198,585
SHAREHOLDERS' FUNDS		<u>1,713,809</u>	<u>1,498,934</u>

These financial statements were approved by the directors and authorised for issue on 5 July 2013, and are signed on their behalf by



B I TRENCH
Director

Company Registration Number 03802356

The notes on pages 11 to 22 form part of these financial statements

A-BELCO PROPERTY LIMITED

GROUP CASH FLOW CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2013

		2013	2012
	Note	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	22	3,325,897	807,231
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		1,912	—
Interest paid		(11,788)	(50,436)
Interest element of hire purchase		(4,404)	(10,394)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(14,280)	(60,830)
TAXATION		(365,150)	(380,810)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(213,632)	(166,622)
Receipts from sale of fixed assets		10,361	26,801
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(203,271)	(136,056)
CASH INFLOW BEFORE FINANCING		2,743,196	225,770
FINANCING	22	(100,951)	(215,129)
INCREASE IN CASH	22	2,642,245	10,641

The notes on pages 11 to 22 form part of these financial statements

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and amortised from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

Turnover shown in the profit and loss account represents goods dispatched and where there is an entitlement to invoice, exclusive of Value Added Tax.

Fixed assets

All tangible fixed assets are stated at their historic cost. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful lives of the assets concerned.

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:

Freehold Property	- 2% straight line
Plant & Machinery	- 5% to 33% straight line
Fixtures & Fittings	- 5% to 33% straight line
Motor Vehicles	- 10% to 33% straight line

Stocks

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

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

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.

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.

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES *(continued)*

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, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

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.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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 group after deducting all of its liabilities.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below.

	2013 £	2012 £
United Kingdom	9,215,857	5,635,372
Overseas sales	5,997,569	4,277,370
	<u>15,213,426</u>	<u>9,912,742</u>

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2013 £	2012 £
Depreciation of owned fixed assets	127,071	159,395
Depreciation of assets held under hire purchase agreements	12,573	8,405
Loss/(Profit) on disposal of fixed assets	7,177	(5,821)
Net profit on foreign currency translation	(1,031)	—
Auditor's remuneration - audit of the financial statements	16,000	20,100
Auditor's remuneration - other fees	13,520	33,900
	<u>2013</u> <u>£</u>	<u>2012</u> <u>£</u>
Auditor's remuneration - audit of the financial statements	16,000	20,100
Auditor's remuneration - other fees		
- Taxation services	10,520	7,900
- Other services	3,000	26,000
	<u>13,520</u>	<u>33,900</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2013 No	2012 No
Number of production staff	42	43
Number of administrative staff	59	39
	<u>101</u>	<u>82</u>

The aggregate payroll costs of the above were

	2013 £	2012 £
Wages and salaries	3,076,781	2,046,710
Social security costs	231,992	215,155
Other pension costs	39,788	31,896
	<u>3,348,561</u>	<u>2,293,761</u>

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

5 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2013 £	2012 £
Remuneration receivable	346,693	321,382
Value of company pension contributions to money purchase schemes	—	4,025
	<u>346,693</u>	<u>325,407</u>

Remuneration of highest paid director

	2013 £	2012 £
Total remuneration (excluding pension contributions)	<u>346,693</u>	<u>233,969</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
Interest payable on bank borrowing	11,788	47,626
Finance charges	4,404	10,394
Other similar charges payable	—	2,810
	<u>16,192</u>	<u>60,830</u>

7 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013 £	2012 £
Current tax		
UK Corporation tax based on the results for the year at 24% (2012 - 26%)	386,198	284,505
Over provision in prior year	(65,285)	(14,998)
Total current tax	<u>320,913</u>	<u>269,507</u>

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(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 24% (2012 - 26%)

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>2,556,441</u>	<u>1,031,096</u>
Profit on ordinary activities by rate of tax	613,546	268,086
Expenses not deductible for tax purposes	54,362	38,198
Unutilised losses, accelerated capital allowances and other short term timing differences	(147,363)	(96,610)
Tax chargeable at lower rates	-	79,866
Adjustments to tax charge in respect of previous periods	(65,285)	(14,998)
Effect of change in closing deferred tax rate	12,008	(5,035)
R&D tax relief	(146,355)	-
Total current tax (note 7(a))	<u>320,913</u>	<u>269,507</u>

(c) Factors that may affect future tax charges

The group has approximately £1,262,000 (2012 £2,012,000) trading losses carried forward at 31 March 2013, available for offset against future profits of the same trade. No deferred tax asset has been recognised in relation to these losses due to restrictions over their use and so uncertainty as to the timing of any utilisation or their recovery.

Recent budget statements have announced a staged reduction in the standard rate of corporation tax down to 20%. A reduction to 23% takes place from 01 April 2013 and therefore has no effect on these financial statements, but if enacted as proposed these changes will tend to reduce future tax charges.

8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £214,875 (2012 - £92,467)

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

9. TANGIBLE FIXED ASSETS

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 1 April 2012	1,819,997	676,469	860,936	84,178	3,441,580
Additions	70,028	40,546	46,422	56,636	213,632
Disposals	—	(34,238)	(377,366)	(14,569)	(426,173)
At 31 March 2013	1,890,025	682,777	529,992	126,245	3,229,039
DEPRECIATION					
At 1 April 2012	124,232	576,640	767,029	11,758	1,479,659
Charge for the year	32,394	43,246	38,682	25,322	139,644
On disposals	—	(29,202)	(377,364)	(2,069)	(408,635)
At 31 March 2013	156,626	590,684	428,347	35,011	1,210,668
NET BOOK VALUE					
At 31 March 2013	1,733,399	92,093	101,645	91,234	2,018,371
At 31 March 2012	1,695,765	99,829	93,907	72,420	1,961,921

Hire purchase agreements

Included within the net book value of £2,018,371 is £35,390 (2012 - £47,963) 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 £12,573 (2012 - £8,405).

Capital commitments

	2013 £	2012 £
Contracted but not provided for in the financial statements	33,611	—

Company	Freehold Property £	Fixtures & Fittings £	Total £
COST			
At 1 April 2012	1,604,283	609	1,604,892
Additions	56,858	—	56,858
At 31 March 2013	1,661,141	609	1,661,750
DEPRECIATION			
At 1 April 2012	26,738	609	27,347
Charge for the year	21,390	—	21,390
At 31 March 2013	48,128	609	48,737
NET BOOK VALUE			
At 31 March 2013	1,613,013	—	1,613,013
At 31 March 2012	1,577,545	—	1,577,545

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

9 TANGIBLE FIXED ASSETS *(continued)*

Included within the cost of freehold property of £1,604,283 is £553,761 in relation to freehold land that is not depreciated

Capital commitments

	2013 £	2012 £
Contracted but not provided for in the financial statements	<u>33,611</u>	<u>-</u>

10. INVESTMENTS

Company	Subsidiary undertakings £
---------	---------------------------------

COST	
At 1 April 2012 and 31 March 2013	<u>590,000</u>

AMOUNTS WRITTEN OFF	
Written off in year	<u>289,999</u>
At 31 March 2013	<u>289,999</u>

NET BOOK VALUE	
At 31 March 2013	<u>300,001</u>
At 31 March 2012	<u>590,000</u>

The company owns 92.5% of the issued share capital and voting rights of A-Belco (Holdings) Limited, and indirectly owns 92.5% of the issued share capital of A-Belco Limited, MEP Solutions Limited, and Hadar Lighting Limited. All companies are incorporated in the United Kingdom.

	2013 £	2012 £
Aggregate capital and reserves		
A-Belco (Holdings) Limited	826,498	51,923
A-Belco Limited	2,299,295	1,591,774
MEP Solutions Limited	88,485	(1,028,545)
Hadar Lighting Limited (Dormant)	<u>1</u>	<u>1</u>

Profit and (loss) for the year

A-Belco (Holdings) Limited	774,575	-
A-Belco Limited	1,482,097	751,557
MEP Solutions Limited	617,030	(101,801)
Hadar Lighting Limited (Dormant)	<u>-</u>	<u>-</u>

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

11. STOCKS

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Raw materials	1,035,265	608,876	-	-
Work in progress	156,577	33,577	-	-
Finished goods	97,546	110,192	-	-
	<u>1,289,388</u>	<u>752,645</u>	<u>-</u>	<u>-</u>

12. DEBTORS

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	2,081,517	2,181,140	-	-
Amounts owed by group undertakings	-	-	-	133,272
Other debtors	15,836	273,337	-	3,929
Directors current accounts	40,601	-	15,601	-
Prepayments and accrued income	112,460	60,986	-	-
	<u>2,250,414</u>	<u>2,515,463</u>	<u>15,601</u>	<u>137,201</u>

Amounts due from group undertakings are unsecured and interest free

13 CREDITORS Amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	-	912,480	-	32,925
Trade creditors	2,059,716	1,594,892	-	-
Amounts owed to group undertakings	-	-	68,341	76,923
Hire purchase agreements	9,804	8,525	-	-
Directors' loan accounts	177,632	253,295	177,632	253,295
Corporation tax	140,663	184,900	50,420	48,302
Other taxation and social security	157,271	79,467	1,676	3,117
Other creditors	126,371	97,044	3,000	3,000
Accruals and deferred income	673,639	289,882	9,100	8,650
	<u>3,345,096</u>	<u>3,420,485</u>	<u>310,169</u>	<u>426,212</u>

The bank loan secured on the investment properties in 2012 has been repaid in full in 2013

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

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Hire purchase agreements	<u>9,804</u>	<u>8,525</u>	<u>-</u>	<u>-</u>

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

14 CREDITORS. Amounts falling due after more than one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Hire purchase agreements	23,154	32,958	-	-
Directors' loan accounts	674,782	734,283	674,782	734,283
Other creditors	17,500	17,500	17,500	17,500
	<u>715,436</u>	<u>784,741</u>	<u>692,282</u>	<u>751,783</u>

The long term director's loan is with A W Kelly, bears no interest and is repayable upon the sale of the freehold properties

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

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Hire purchase agreements	<u>23,154</u>	<u>32,958</u>	<u>-</u>	<u>-</u>

15 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Amounts payable within 1 year	9,804	8,525	-	-
Amounts payable between 2 to 5 years	23,154	32,958	-	-
	<u>32,958</u>	<u>41,483</u>	<u>-</u>	<u>-</u>

16 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as set out below

Group	Assets other than Land and buildings	
	2013	2012
	£	£
Operating leases which expire		
Within 2 to 5 years	<u>-</u>	<u>3,536</u>

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

17. RELATED PARTY TRANSACTIONS

The group has taken advantage of disclosure exemptions within FRS8

At the year end the group had a balance of £117,632 (2012 £188,295) due to G Kelly, included within creditors falling due within one year

At the year end the group had a balance of £734,782 (2012 £799,283) due to A W Kelly, of which £60,000 (2012 £65,000) is included under creditors falling due within one year with the balance being due in more than one year

During the year the group paid fees totalling £96,284 (2012 £52,500) to C Change Consultancy Limited, a company of which B I Trench is a director At the year-end there was a balance of £3,600 (2012 £22,800) due to C Change Consultancy Limited included within trade creditors

At the year-end B I Trench owed £40,601 (2012 £nil) to the company, included within debtors, of which £25,000 was repaid 28 April 2013 He also owed £415 (2012 £nil), included within debtors

18. SHARE CAPITAL

Allotted, called up and fully paid:

	2013 No	£	2012 No	£
1,938,778 Ordinary A shares of £0 0001 each	1,938,778	194	1,938,778	194
387,756 Ordinary B shares of £0 0001 each	387,756	39	387,756	39
	<u>2,326,534</u>	<u>233</u>	<u>2,326,534</u>	<u>233</u>

19. ULTIMATE CONTROLLING PARTY

The directors consider the ultimate controlling parties to be G Kelly and A W Kelly

20. RESERVES

Group	Share premium account £	Merger reserve £	Profit and loss account £
Balance brought forward	174	1,841,251	(320,642)
Profit for the year	—	—	2,078,094
Balance carried forward	<u>174</u>	<u>1,841,251</u>	<u>1,757,452</u>

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

20. RESERVES (continued)

Company	Share premium account £	Merger reserve £	Profit and loss account £
Balance brought forward	174	299,942	1,198,585
Profit for the year	—	—	214,875
Balance carried forward	<u>174</u>	<u>299,942</u>	<u>1,413,460</u>

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Profit for the financial year	2,078,094	712,729
Opening shareholders' funds	<u>1,521,016</u>	<u>808,287</u>
Closing shareholders' funds	<u>3,599,110</u>	<u>1,521,016</u>

22. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating profit	2,570,721	1,091,926
Depreciation	139,644	167,800
Loss/(Profit) on disposal of fixed assets	7,177	(5,821)
Increase in stocks	(536,743)	(264,991)
Decrease/(increase) in debtors	265,049	(580,401)
Increase in creditors	880,049	398,718
Net cash inflow from operating activities	<u>3,325,897</u>	<u>807,231</u>

FINANCING

	2013 £	2012 £
Repayment of bank loans	(32,925)	(77,600)
Capital element of hire purchase	(8,525)	24,259
Net inflow from other long-term creditors	—	3,929
Repayment of directors' long-term loans	(59,501)	(165,717)
Net cash outflow from financing	<u>(100,951)</u>	<u>(215,129)</u>

A-BELCO PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

22. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2013 £	2012 £
Increase in cash in the period	2,642,245	10,641
Net cash outflow from bank loans	32,925	77,600
Cash outflow in respect of hire purchase	8,525	(24,259)
Net cash (inflow) from other long-term creditors	—	(3,929)
Cash outflow from directors' long-term loans	59,501	165,717
	<u>2,743,196</u>	<u>225,770</u>
Change in net funds	2,743,196	225,770
Net debt at 1 April 2012	(1,164,438)	(1,390,208)
Net funds at 31 March 2013	<u>1,578,758</u>	<u>(1,164,438)</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Apr 2012 £	Cash flows £	At 31 Mar 2013 £
Net cash			
Cash in hand and at bank	541,308	1,762,690	2,303,998
Overdrafts	(879,555)	879,555	—
	<u>(338,247)</u>	<u>2,642,245</u>	<u>2,303,998</u>
Debt			
Debt due within 1 year	(32,925)	32,925	—
Debt due after 1 year	(751,783)	59,501	(692,282)
Hire purchase agreements	(41,483)	8,525	(32,958)
	<u>(826,191)</u>	<u>100,951</u>	<u>(725,240)</u>
Net funds	<u>(1,164,438)</u>	<u>2,743,196</u>	<u>1,578,758</u>

23 POST BALANCE SHEET EVENTS

On 27 June 2013, the directors of A-Belco Holdings Limited resolved that the company would pay a dividend based on the results for the financial year ended 31 March 2013 in the amount of £1,000,000, in two tranches on 28 June 2013 and 31 October 2013, based on the shareholdings as at 31 March 2013. This will be funded through a corresponding dividend from A-Belco Limited to A-Belco Holdings Limited in the same tranches and dates.