

LAILA'S FINE FOODS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 29 JUNE 2013

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Directors

A B Remtulla
L Remtulla
Z Remtulla
R Remtulla
N Beaver
S Beard

Secretary

L Remtulla

Registered Number

04493756

Registered office

91 Moor Park Avenue
Bispham
Blackpool
Lancashire
FY2 0LZ

Accountants

Champion Accountants LLP
Unit 2 Olympic Court, Boardmans Way, Whitehills Business Park
Blackpool, Lancashire, FY4 5GU

Bankers

Barclays Bank plc

LAILA'S FINE FOODS LIMITED
YEAR ENDED 29 JUNE 2013
REPORT OF THE DIRECTORS

The Directors present their report and audited financial statements for the year ended 29 June 2013

Principal Activities

The principal activity of the company continued to be that of a manufacturer of ready prepared meals for the food service and retail market

Dividends of £121,800 were paid during the year

Review of the business

The results for the period are set out on page 6

The directors are pleased to report a profit for the year ended 29 June 2013 of £308,113

Turnover has risen by 16% during the year which has been achieved through growth in both existing and new customers. The product mix during the year moved towards a higher proportion of chilled rather than frozen products due to a number of product wins in this area

The gross margin during the year reduced to 17.5% from 21.2% in 2012. This was partly due to some raw material pricing pressure but also partly due to product mix in favour of some products with a higher ingredients cost. Direct labour also increased as a percentage of sales as the business structured the factory to enable the increased volume of chilled business and invested in additional supervisory staff. This structure will provide capacity for the future growth. Overheads increased on the prior year but showed improvement as a percentage of turnover, this reflects an investment in new products and higher volumes whilst gaining some efficiencies of scale in other areas

The business has invested further in plant and machinery to provide both greater efficiency and more physical capacity within the warehouse and production facilities in order to achieve the growth during the year and to provide for future growth in the business. This was partly funded by operations, lease purchase and a bank loan received towards the end of the prior year

Net cash inflow from operations was £ 527,224 which after interest and capital investment led to a net cash outflow before financing of £ 86,228. During the year, bank loan repayments amounted to £ 355,850, hire purchase repayments of £ 19,742 were paid and the net inflow from the invoice finance facility was £ 469,951. The increase in cash in the year was £ 8,131

Future developments

The business continues to invest in its relationships with customers through an innovative approach to product development, good service levels and a production facility that operates at a high standard. This has driven further net growth in product lines through new product launches in Autumn 2013 and February 2014. Potential new customers continue to be attracted to the business with a new customer launch due to commence in April 2014. The business has therefore seen further growth in turnover and improvement in profitability in the latter half of 2013 calendar year and remains in a strong position for the future. The market remains competitive and the business continues to monitor raw material pricing to ensure that we respond to any inflationary pressures where possible

Our people remain key to our future growth and we have a good team in place working to provide our customers with a high level of service and ensuring that the business operates efficiently and effectively. The business continues to monitor staffing levels to ensure that adequate and appropriately qualified resources are in place

LAILA'S FINE FOODS LIMITED
YEAR ENDED 29 JUNE 2013
REPORT OF THE DIRECTORS

Key performance indicators

The board monitors the business on a daily, weekly and monthly basis and the key performance indicators reviewed are

	Current year movement	Year ended 29 June 2013	Year ended 30 June 2012	Year ended 02-Jul-11
		£	£	£
Turnover	15.8%	14,639,072	12,636,259	9,496,811
Gross Margin	(4.4%)	2,563,721	2,681,166	1,745,208
Gross Margin %		17.5%	21.2%	18.4%
Overheads	14.0%	2,003,541	1,757,238	1,381,123
% of sales		13.7%	13.9%	14.5%
People costs (including agency staff)	19.9%	3,450,856	2,877,697	2,180,226
% of sales		23.6%	22.8%	23.0%
Profit before taxation		404,248	725,322	130,397
		2.8%	5.7%	1.4%
EBITDA*	(28.3%)	778,226	1,085,810	522,920

The business has again seen significant growth in turnover albeit with gross margins being more representative of 2011 levels due to the factors mentioned previously

*EBITDA = Earnings before interest tax, depreciation and amortisation

Financial Risks

Credit Risk

The main source of credit risk is from the potential non-recovery of trade debtors. Our customer base includes significant robust businesses and hence the overall risk of default is reduced. The Board also obtain credit insurance to cover our debtor book where possible and obtains guidance on appropriate credit limits from our insurers.

Currency risk

The business has very limited direct exposure to the Euro through purchases, these are currently at a level that do not pose a significant threat to the business and hence no specific hedging activities are in place for foreign currency exposure. Raw materials are generally sourced from UK suppliers billing in sterling but prices can experience some fluctuation due to underlying currency fluctuations. The business monitors raw material pricing closely and maintains a database of potential suppliers to ensure that buying is at the best price achievable.

Liquidity and cash flow risk

The business relies upon bank and other funding to provide the necessary working and fixed capital funding for the business.

A combination of long, medium and short term debt is utilised to provide appropriate funding for the business based on cash projections.

The Board continues to monitor cash flow projections and working capital facilities to ensure that there are sufficient short and medium term facilities in place to meet the business day to day and longer term business needs.

Interest rate risk

The business has borrowings which carry variable interest rates. This risk is partially offset by a cap and collar facility on part of our bank debt which ensures that our cash outflow on interest is kept within specific parameters. Other loans are split equally between variable and fixed rate debt to provide a balance of both risk management and opportunity to take advantage of lower base rates.

Directors

The directors of the business during the year were

A B Remtulla
L Remtulla
Z Remtulla
R Remtulla
N Beaver
S Beard

LAILA'S FINE FOODS LIMITED
YEAR ENDED 29 JUNE 2013
REPORT OF THE DIRECTORS

Statement of directors responsibilities

The directors are responsible for preparing the Directors' Report and 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 proper 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.

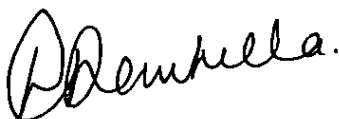
Charitable donations

During the year the company made charitable donations of £ 3,570

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



Mrs L Remtulla
Director

5 March 2014

To the members of Laila's Fine Foods Limited

We have audited the financial statements of Laila's Fine Foods Limited for the year ended 29 June 2013 as set out on pages 6 to 19. 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 an 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 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 the directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out in the Directors' Report, 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. In addition, we read all the financial and non-financial information on the Directors' 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

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 June 2013 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

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.

D L Thorn

Deborah Thorn FCA (Senior Statutory Auditor)
for and on behalf of Champion Accountants LLP
Chartered Accountants
Statutory Auditor
5 March 2014

Unit 2, Olympic Court
Boardmans Way
Whitehills Business Park
Blackpool
Lancashire
FY4 5GU

LAILA'S FINE FOODS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 29 JUNE 2013

	Note	Year ended 29 June 2013 £	Year ended 30 June 2012 £
Turnover	2	14,639,072	12,636,259
Cost of sales		12,075,351	9,955,093
Gross profit		2,563,721	2,681,166
Administrative expenses		2,003,541	1,757,238
Other operating income		32,520	1,314
Operating profit	3	592,700	925,242
Interest payable and similar charges	4	188,452	199,920
Profit on ordinary activities before taxation		404,248	725,322
Tax on profit on ordinary activities	6	(96,135)	(109,729)
Profit for the year	15	308,113	615,593

All amounts relate to continuing activities

The notes on pages 10 to 19 form part of these financial statements

LAILA'S FINE FOODS LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 29 JUNE 2013

	Note	Year ended 29 June 2013 £	Year ended 30 June 2012 £
Profit for the financial year		308,113	615,593
Unrealised deficit on revaluation of properties		(21,533)	-
Total recognised gains and losses relating to the year		286,580	615,593
	Note	Year ended 29 June 2013 £	Year ended 30 June 2012 £
Retained profit on ordinary activities before taxation		404,248	725,322
Difference between an historical cost depreciation charge and the		6,453	2,839
Historical cost profit on ordinary activities before taxation		410,701	728,161
Historical cost profit for the year retained after taxation, extraordinary items and dividends		192,766	618,432

The notes on pages 10 to 19 form part of these financial statements

LAILA'S FINE FOODS LIMITED
BALANCE SHEET
AS AT 29 JUNE 2013

Company registration number 4493756

	Note	29 June 2013 £	30 June 2012 £
Fixed assets			
Tangible Assets	7	2,821,643	2,647,726
		<u>2,821,643</u>	<u>2,647,726</u>
Current Assets			
Stock	8	565,072	613,187
Debtors	9	2,742,078	1,908,225
Cash at bank and in hand		76,885	68,754
		<u>3,384,035</u>	<u>2,590,166</u>
Creditors amounts falling due within one year	10	4,557,046	3,500,070
		<u>(1,173,011)</u>	<u>(909,904)</u>
Net current liabilities			
Total assets less current liabilities		1,648,632	1,737,822
Creditors amounts falling due after more than one year	11	1,052,977	1,403,082
Provisions for liabilities	12	205,864	109,729
		<u>389,791</u>	<u>225,011</u>
Capital and reserves			
Called up share capital	13	100	100
Revaluation reserve	14	192,350	220,336
Profit and loss account	14	197,341	4,575
		<u>389,791</u>	<u>225,011</u>
Equity shareholders funds	15		
		<u>389,791</u>	<u>225,011</u>

These financial statements were approved by the Board and authorised for issue on 5 March 2014


L. Remtulla
Director

The notes on pages 10 to 19 form part of these financial statements

LAILA'S FINE FOODS LIMITED
CASH FLOW STATEMENT
YEAR ENDED 29 JUNE 2013

	Note	Year ended 29 June 2013 £	Year ended 30 June 2012 £
Net cash inflow from operating activities	17	527,224	654,980
Net cash outflow for returns on investment and servicing of finance	18	(188,452)	(201,883)
Net cash outflow for capital expenditure	19	(303,200)	(247,986)
Equity dividends paid	20	(121,800)	-
Net cash (outflow) / inflow before financing		(86,228)	205,111
Net cash inflow / (outflow) from financing	21	94,359	(73,700)
Increase in cash in the period	22	8,131	131,411

The notes on pages 10 to 19 form part of these financial statements

1 Accounting policies

These financial statements are prepared under the historical cost convention modified to include the revaluation of land and buildings

Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

a) Turnover

Turnover represents income recognised on delivery of products to customers at invoiced amount less value added tax

Turnover from the provision of goods is recognised when the risks and rewards of ownership of goods have been transferred to the customer. The risks and rewards of ownership of goods are deemed to have been transferred when the goods are delivered to, or are picked up by the customer

b) Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Freehold buildings - over 50 years

Plant and machinery - 10 % on reducing balance

Office equipment - 25% on reducing balance

Fixtures and fittings - 25% on reducing balance

Motor vehicles - 25% on reducing balance

c) Obligations under hire purchase and finance lease agreements

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rental payments made under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

d) Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

1 Accounting policies

e) Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

f) Stock

Stock is valued at the lower of cost and net realisable value.

2 Turnover

Turnover represents the value, net of value added tax and discounts (where applicable), of goods provided to customers

Turnover is attributable to the principal activity of the business in the UK

3 Operating profit

	Year ended 29 June 2013 £	Year ended 30 June 2012 £
The operating profit is arrived after charging / (crediting)		
Depreciation of tangible fixed assets	185,526	160,568
Operating lease rentals - plant and machinery	17,571	23,007
Operating lease rentals - other	35,000	19,939
Loss on disposal of fixed assets	295	594
Exchange loss	-	508
Auditors remuneration - audit services	4,000	4,000
Auditors remuneration - non-audit services - tax	1,000	1,000
Grant receivable	(1,314)	(1,314)

4 Interest payable

Bank interest	129	644
Interest payable on invoice discounting	79,914	73,075
Bank loans repayable after more than five years	87,057	95,645
Other loans repayable within five years	18,572	30,336
Interest payable on finance leases	2,780	220
	188,452	199,920

LAILA'S FINE FOODS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 JUNE 2013

	Year ended 29 June 2013 £	Year ended 30 June 2012 £
5 Wages and salaries		
Wages and salaries	2,945,578	2,411,122
National insurance	207,415	195,258
	<u>3,152,993</u>	<u>2,606,380</u>
The average number of monthly employees during the period was		
Production	180	102
Management and administration	16	13
	<u>196</u>	<u>115</u>

In addition to the above the company incurred agency staff costs of £ 297,863 (Year ended 30 June 2012 - £271,317)

Directors remuneration during the year ended 29 June 2013 was £ 232,433 (Year ended 30 June 2012 - £325,437)

The highest paid director received remuneration of £ 59,438 (2012 - £ 97,433)

No pension contributions were paid by the company on behalf of directors

6 Taxation		
Current tax	-	-
Deferred tax-origination and reversal of timing differences	96,135	109,729
	<u>96,135</u>	<u>109,729</u>

The tax assessed for the period varies from the standard rate of corporation tax in the UK The difference is explained below

Profit on ordinary activities before taxation	<u>404,248</u>	<u>725,322</u>
Tax on profit on ordinary activities at standard rate of 23% (2012 - 24%)	92,977	174,077
Capital allowances variance with depreciation	(13,265)	(5,768)
Expenses not deductible for tax purposes	2,696	1,849
Tax losses utilised	(82,408)	(170,158)
Current tax charge	<u>-</u>	<u>-</u>

There are unutilised tax losses of £ 167,054 (2012 £524,942) available to carry forward against future taxable profits

7 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation					
At beginning of period	1,331,999	2,274,049	83,802	-	3,689,850
Additions	-	346,809	40,457	1,755	389,021
Disposals	-	(17,373)	-	-	(17,373)
Revaluation	(131,999)	-	-	-	(131,999)
At end of period	1,200,000	2,603,485	124,259	1,755	3,929,499
Depreciation					
At beginning of period	93,150	905,597	43,377	-	1,042,124
Charges	17,316	151,986	16,005	219	185,526
On Disposal	-	(9,328)	-	-	(9,328)
Revaluation	(110,466)	-	-	-	(110,466)
At end of period	-	1,048,255	59,382	219	1,107,856
Net book value at 29 June 2013	1,200,000	1,555,230	64,877	1,536	2,821,643
Net book value at 30 June 2012	1,238,849	1,368,452	40,425	-	2,647,726

Included in tangible fixed assets are assets held under hire purchase and finance leases with a net book value of £ 78,008 (Year ended 30 June 2012 - £ 24,640) on which depreciation of £ 5,403 (2012 - £312) was charged

Freehold land and buildings were revalued in February 2014 by Duxburys Commercial a firm of independent qualified surveyors. The property was valued at £1,200,000 and the net book value prior to this was £1,221,533 resulting in a reduction in the revaluation reserve by £21,533 to £196,021. The historic cost of the land and buildings is £ 1,099,954 and net book value of £1,007,650

Non-depreciable land is included at a valuation of £420,000 (2012 - £466,200) and cost of £384,984

LAILA'S FINE FOODS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 JUNE 2013

	29 June 2013	30 June 2012
	£	£
8 Stock		
Raw materials	425,494	302,972
Finished Goods	139,578	310,215
	<u>565,072</u>	<u>613,187</u>
9 Debtors		
Trade debtors	2,346,403	1,634,278
VAT and duty recoverable	126,546	85,664
Prepayments and accrued income	269,129	188,283
	<u>2,742,078</u>	<u>1,908,225</u>
10 Creditors : amounts falling due within one year		
Bank loans and overdrafts (secured)	306,552	292,974
Invoice finance liability (secured)	1,775,834	1,305,883
Other loans (secured)	64,275	63,615
Trade creditors	2,001,731	1,581,728
Other creditors	31,878	55,703
Tax and social security	56,194	52,769
Obligations under hire purchase and finance lease agreements	28,927	11,195
Accruals and deferred income	291,655	136,203
	<u>4,557,046</u>	<u>3,500,070</u>

	29 June 2013	30 June 2012
	£	£
11 Creditors : amounts falling due after more than one year		
Bank loans (secured)	945,239	1,251,052
Other loans (secured)	65,015	129,290
Obligations under hire purchase and finance lease agreements	32,214	10,917
Grants received	10,509	11,823
	<u>1,052,977</u>	<u>1,403,082</u>
Hire purchase and finance lease obligations are due as follows		
In less than one year	28,927	11,195
Within one to two years	20,018	10,917
Within two to five years	12,196	-
	<u>61,141</u>	<u>22,112</u>
Bank loans are due as follows		
In less than one year	306,552	292,974
Within one to two years	147,867	305,779
Within two to five years	123,768	229,376
After five years	673,604	715,897
	<u>1,251,791</u>	<u>1,544,026</u>
Other loans are due as follows		
In less than one year	64,275	63,615
Within one to two years	65,015	64,276
Within two to five years	-	65,014
	<u>129,290</u>	<u>192,905</u>

Bank loans due by instalments after more than five years carry an interest rate of 1.9% above Barclays Bank base rate

The bank loans and overdrafts and other loans are secured upon the assets and book debts of the company, and by personal guarantee of Mr A B Remtulla and Mrs L A Remtulla

LAILA'S FINE FOODS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 JUNE 2013

	29 June 2013 £	30 June 2012 £
12 Provisions - Deferred taxation		
At beginning of period	109,729	-
Charge for the year	96,135	109,729
At end of period	205,864	109,729
Capital allowances in excess of depreciation	244,286	235,715
Losses available	(38,422)	(125,986)
	205,864	109,729
13 Share capital		
Allotted called up and fully paid		
100 ordinary shares of £1 each	100	100
14 Profit and loss account reserve		
At beginning of period	4,575	(613,857)
Profit for the period	308,113	615,593
Dividends paid	(121,800)	-
Transfer from revaluation reserve (excess depreciation)	6,453	2,839
At end of period	197,341	4,575
Revaluation reserve		
At beginning and end of period	220,336	223,175
Transfer to profit and loss (excess depreciation on revaluation)	(6,453)	(2,839)
Revaluation adjustment	(21,533)	-
	192,350	220,336
15 Reconciliation of movement in shareholders funds		
At beginning of period	225,011	(390,582)
Profit for the period	308,113	615,593
Dividends paid	(121,800)	-
Revaluation adjustment	(21,533)	-
At end of period	389,791	225,011
16 Related party transactions		
Other creditors includes £ 569 (2012 - £ 43,962) due to Mrs L Remtulla and Mr A B Remtulla		
Trade creditors includes an amount of £1,205 (2012 - £467) due to Mr S Beard, a director, in relation to directors fees due for June 2013		
The ultimate controlling parties are Mrs L Remtulla and Mr A B Remtulla by virtue of the equal share holdings in the company		

LAILA'S FINE FOODS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 JUNE 2013

	Year ended 29 June 2013	Year ended 30 June 2012
	£	£
17 Reconciliation of inflow from operating activities		
Operating profit	592,700	925,242
Depreciation	185,526	160,568
Loss on sale of fixed assets	295	594
Movement on stock	48,115	(207,841)
Movement on debtors	(833,853)	(257,139)
Movement on creditors	534,441	33,556
	<u>527,224</u>	<u>654,980</u>
18 Return on investments and servicing of finance		
Bank borrowing	(167,100)	(169,364)
Hire purchase and finance lease arrangements	(2,780)	(220)
Other loans	(18,572)	(32,299)
	<u>(188,452)</u>	<u>(201,883)</u>
19 Net cash outflow for capital expenditure		
Purchase of tangible fixed assets	(310,950)	(256,486)
Proceeds of sale of fixed assets	7,750	8,500
	<u>(303,200)</u>	<u>(247,986)</u>
20 Dividends paid	<u>(121,800)</u>	<u>-</u>
21 Net cash inflow / (outflow) from financing		
New loans advances (net of expenses)	-	173,542
Net movement on invoice discounting facility	469,951	115,836
Bank loan repayments	(355,850)	(360,238)
Capital element on hire purchase and finance leases	(19,742)	(2,840)
	<u>94,359</u>	<u>(73,700)</u>
22 Reconciliation of net cash flow to movement in net debt		
Increase in cash in the period	8,131	131,411
Cash flow from movement in debt and lease financing	(94,359)	73,700
	<u>(86,228)</u>	<u>205,111</u>
Non-cash movement on loans/leases	(58,771)	(22,988)
	<u>(144,999)</u>	<u>182,123</u>
Opening net debt	(2,996,172)	(3,178,295)
Closing net debt	<u>(3,141,171)</u>	<u>(2,996,172)</u>

23 Analysis of net debt

	At beginning of year £	Cash flow £	Non cash movements £	At end of year £
Cash at bank and in hand	68,754	8,131	-	76,885
Bank overdraft	-	-	-	-
	<u>68,754</u>	<u>8,131</u>	<u>-</u>	<u>76,885</u>
Debt falling due within one year	(356,589)	355,850	(370,088)	(370,827)
Debt falling due after one year	(1,380,342)	-	370,088	(1,010,254)
Invoice finance due within one year	(1,305,883)	(469,951)	-	(1,775,834)
Hire purchase and finance leases	(22,112)	19,742	(58,771)	(61,141)
	<u>(3,064,926)</u>	<u>(94,359)</u>	<u>(58,771)</u>	<u>(3,218,056)</u>
Net debt	<u>(2,996,172)</u>	<u>(86,228)</u>	<u>(58,771)</u>	<u>(3,141,171)</u>

24 Operating lease commitments

At the balance sheet date the company had non-cancellable operating lease commitments which expire as follows

	Year ended 29 June 2013		Year ended 30 June 2012	
	Land and buildings £	Plant and Machinery £	Land and buildings £	Plant and Machinery £
Within one year	-	1,358	-	1,358
Within two to five years	35,000	-	35,000	-
	<u>35,000</u>	<u>-</u>	<u>35,000</u>	<u>-</u>