

Registered number 4675403

ABERFORD INVESTMENTS LIMITED
DIRECTORS' REPORT AND FINANCIAL
STATEMENTS

For the year ended 1 April 2011

PM+M Solutions for Business LLP
Chartered Accountants
Registered Auditors
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

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ABERFORD INVESTMENTS LIMITED

COMPANY INFORMATION

DIRECTOR	S Chippendale J Wilkinson
COMPANY SECRETARY	J Wilkinson
COMPANY NUMBER	4675403
REGISTERED OFFICE	Peel Mill Gannow Lane Burnley Lancashire BB12 6JL
AUDITORS	PM+M Solutions for Business LLP Chartered Accountants & Registered Auditors Greenbank Technology Park Challenge Way Blackburn Lancashire BB1 5QB
BANKERS	HSBC Bank PLC 12 Manchester Road Burnley Lancashire BB11 1JH

ABERFORD INVESTMENTS LIMITED
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ABERFORD INVESTMENTS LIMITED

DIRECTORS' REPORT
for the year ended 1 April 2011

The directors present their report and the financial statements for the year ended 1 April 2011

DIRECTORS' RESPONSIBILITIES STATEMENT

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 period. In preparing these financial statements, the directors are required to

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

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 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 company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the group is the design and manufacture of weft knitted fabrics worldwide for supply into the sportswear, ladies and children's wear, industrial and automotive markets.

BUSINESS REVIEW

The group financial results for 2010-11 reflect a significant turn-round compared to trading in recent years and show significant progress towards a return to profitability. The group's net cash flow from operating activities has improved from an outflow of £346k in the previous year to an inflow of £451k in the reported year. The platform for this was the elimination of the overhead costs of the Burnley site and near completion of a multi-million pound redundancy programme by the end of 2009-10. Post year-end we have focused the business on its core strengths by closing the garment manufacturing business in Egypt which represented the majority of the EBITDA loss in 2010-11 and concentrating on the group's specialist expertise in the design, manufacture and marketing of technical fabrics.

Continued progress in Egypt arose despite the unprecedented challenges posed by major increases in commodity prices, the momentous events in Egypt during January and February this year and by the impact of the earthquake and tsunami in Japan on demand from the global automotive industry.

We have added ISO 9001 and ISO 18001 to our TS16149 quality accreditation confirming the company's intent and capability to meet the expectations of the world's leading global automotive and sportswear brands.

ABERFORD INVESTMENTS LIMITED

DIRECTORS' REPORT

for the year ended 1 April 2011

The Directors would like to thank all our employees for their commitment to and support of the Company during the period of the January uprising in Egypt. This enabled the Company to minimise disruption to production and maintain deliveries to our customers world-wide. As a Company we demonstrated our resolve to succeed.

Our business in the automotive sector remains very strong, with our products used in Toyota, Nissan and Suzuki vehicles. During the period we began to supply a range of products to the local garment makers of Decathlon, another major global sportswear brand. This extends further the portfolio of global brands who we are proud to have as customers.

We have also begun to supply Reebok and are working closely with Adidas on a range of products. Consequently we started the year in April 2011 with a significantly higher order book and look forward to significantly higher sales in the next twelve months. The Directors are happy to report that to date our targets are being achieved and are optimistic that the current year should show a return to profit.

The end of the year saw the completion of the process of converting our Egyptian production facility, Anglo Textiles SA, from a commission knitter and dyer and finisher of products to an independent manufacturing and selling operation.

This represents the final step in the transformation of the business model from a traditional UK based manufacturing company to a group comprising Cloverbrook Ltd, a UK developer and supplier of products, with an integrated manufacturing organisation in Egypt, Anglo Textiles SAE supplying product into Egypt, South Africa and across Europe. The principal factors and risks facing the group are the uncertainty in the global economy, the continuing unrest in the Middle East and the effect these are having upon turnover, margin and liquidity. The group's key performance indicators continue to be turnover, gross margin, net profit and working capital.

RESULTS

The loss for the year, after taxation, amounted to £539,899 (2010 - loss £1,367,125)

DIRECTORS

The directors who served during the year were

S Chippendale

Mrs J E Chippendale (resigned 9 November 2011)

J Wilkinson

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information.

ABERFORD INVESTMENTS LIMITED

DIRECTORS' REPORT
for the year ended 1 April 2011

AUDITORS

The auditors, PM+M Solutions for Business LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 13 December 2011 and signed on its behalf



S Chippendale
Director

ABERFORD INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ABERFORD INVESTMENTS LIMITED

We have audited the financial statements of Aberford Investments Limited for the year ended 1 April 2011, set out on pages 8 to 23. 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 DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, 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 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 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 ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 1 April 2011 and of the group's loss 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ABERFORD INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ABERFORD INVESTMENTS LIMITED

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



Richard Ainscough (Senior statutory auditor)

for and on behalf of

PM+M Solutions for Business LLP

Chartered Accountants
Registered Auditors

Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

14 December 2011

ABERFORD INVESTMENTS LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 1 April 2011

	Note	2011 £	2010 £
TURNOVER	1,2	6,662,136	8,162,273
Change in stocks of finished goods and work in progress		(591,431)	(160,600)
Raw materials and consumables		(4,303,908)	(6,497,523)
Other external charges		(771,330)	(1,373,130)
Staff costs		(1,222,032)	(1,104,093)
Depreciation and amortisation		(299,945)	(388,533)
OPERATING LOSS	3	(526,510)	(1,361,606)
Interest payable and similar charges	6	(13,389)	(6,008)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(539,899)	(1,367,614)
Tax on loss on ordinary activities	7	-	489
LOSS FOR THE FINANCIAL PERIOD		(539,899)	(1,367,125)

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account


The notes on pages 12 to 23 form part of these financial statements

ABERFORD INVESTMENTS LIMITED
Registered number: 4675403

CONSOLIDATED BALANCE SHEET
as at 1 April 2011

	Note	£	1 April 2011 £	£	2 April 2010 £
FIXED ASSETS					
Tangible assets	8		1,521,210		1,779,013
Investments	9		54,623		54,623
			<u>1,575,833</u>		<u>1,833,636</u>
CURRENT ASSETS					
Stocks	11	1,693,751		1,516,511	
Debtors	12	2,749,381		3,570,779	
Cash at bank and in hand		452,505		130,622	
		<u>4,895,637</u>		<u>5,217,912</u>	
CREDITORS: amounts falling due within one year	13	<u>(2,367,108)</u>		<u>(2,407,287)</u>	
NET CURRENT ASSETS			<u>2,528,529</u>		<u>2,810,625</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,104,362</u>		<u>4,644,261</u>
CAPITAL AND RESERVES					
Called up share capital	14		176,500		176,500
Share premium account	15		6,834,043		6,834,043
Other reserves	15		3,830,051		3,830,051
Profit and loss account	15		(7,285,777)		(6,745,878)
SHAREHOLDERS' FUNDS	16		<u>3,554,817</u>		<u>4,094,716</u>
MINORITY INTERESTS			<u>549,545</u>		<u>549,545</u>
			<u>4,104,362</u>		<u>4,644,261</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 December 2011


S Chippendale
 Director


The notes on pages 12 to 23 form part of these financial statements

ABERFORD INVESTMENTS LIMITED
Registered number: 4675403

COMPANY BALANCE SHEET
as at 1 April 2011

	Note	£	1 April 2011 £	£	2 April 2010 £
FIXED ASSETS					
Investments	9		3,027,322		2,926,973
CURRENT ASSETS					
Debtors	12	1,560,700		-	
Cash at bank and in hand		325,393		1	
		<u>1,886,093</u>		<u>1</u>	
CREDITORS: amounts falling due within one year	13	<u>(1,886,092)</u>		-	
NET CURRENT ASSETS			<u>1</u>		<u>1</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,027,323</u>		<u>2,926,974</u>
CAPITAL AND RESERVES					
Called up share capital	14		176,500		176,500
Share premium account	15		6,834,043		6,834,043
Profit and loss account	15		<u>(3,983,220)</u>		<u>(4,083,569)</u>
SHAREHOLDERS' FUNDS	16		<u>3,027,323</u>		<u>2,926,974</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 December 2011


S Chippendale
Director

The notes on pages 12 to 23 form part of these financial statements

ABERFORD INVESTMENTS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 1 April 2011

	Note	2011 £	2010 £
Net cash flow from operating activities	17	505,960	(335,718)
Returns on investments and servicing of finance	18	(13,389)	(6,008)
Taxation		978	(489)
Capital expenditure and financial investment	18	(42,142)	(4,774)
INCREASE/(DECREASE) IN CASH IN THE YEAR		451,407	(346,989)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
for the year ended 1 April 2011

		2011 £	2010 £
Increase/(Decrease) in cash in the year		451,407	(346,989)
MOVEMENT IN NET DEBT IN THE YEAR		451,407	(346,989)
Net debt at 3 April 2010		(994,075)	(647,086)
NET DEBT AT 1 APRIL 2011	18	(542,668)	(994,075)

The notes on pages 12 to 23 form part of these financial statements

ABERFORD INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Basis of consolidation

The financial statements consolidate the accounts of Aberford Investments Limited and all of its subsidiary undertakings ('subsidiaries')

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2% straight line
Plant & Machinery	-	14% & 13.3% straight line
Motor Vehicles	-	25% straight line
Fixtures & Fittings	-	20% straight line
Office Equipment	-	10% & 33% straight line

1.5 Investments

(i) **Subsidiary undertakings**

Investments in subsidiaries are valued at cost less provision for impairment

(ii) **Other investments**

Investments held as fixed assets are shown at cost less provision for impairment

1.6 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.7 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

ABERFORD INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

1 ACCOUNTING POLICIES (continued)

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are discounted

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1 10 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred

1 11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

ABERFORD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011**2. TURNOVER**

The whole of the turnover is attributable to the principal activity of the group

A geographical analysis of turnover is as follows

	2011 £	2010 £
UK	5,397,168	2,044,403
Other EU	47,830	2,054,155
Rest of world	1,217,138	4,063,715
	<u>6,662,136</u>	<u>8,162,273</u>

3 OPERATING LOSS

The operating loss is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the group	302,436	333,048
Auditors' remuneration	19,150	13,500
Operating lease rentals		
- other operating leases	13,918	6,705
Difference on foreign exchange	23,656	(198,376)
	<u>359,160</u>	<u>254,878</u>

Auditors' fees for the company were £3,000 (2010 £3,000)

ABERFORD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	1,042,049	970,423
Social security costs	158,826	118,484
Other pension costs	21,157	15,186
	<u>1,222,032</u>	<u>1,104,093</u>

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

	No.	No
Production	243	241
Administration	57	57
	<u>300</u>	<u>298</u>

5 DIRECTORS' REMUNERATION

	2011 £	2010 £
Emoluments	<u>150,014</u>	<u>210,714</u>

The highest paid director received remuneration of £121,601 (2010 - £162,258)

6. INTEREST PAYABLE

	2011 £	2010 £
On bank loans and overdrafts	<u>13,389</u>	<u>6,008</u>

ABERFORD INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

7 TAXATION

	2011	2010
	£	£
Adjustments in respect of prior periods	-	(489)
Tax on loss on ordinary activities	-	(489)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - *lower than*) the standard rate of corporation tax in the UK of 28% (2010 - 28%) The differences are explained below

	2011	2010
	£	£
Loss on ordinary activities before tax	(539,899)	(1,367,614)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 - 28%)	(151,172)	(382,932)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	399	72,595
Depreciation in excess of capital allowances	35,402	78,876
Tax losses carried forward	189,128	231,461
Adjustments to tax charge in respect of prior periods	-	(489)
Non-taxable income	(73,757)	-
Current tax charge/(credit) for the year (see note above)	-	(489)

Factors that may affect future tax charges

There are tax trading losses of £5,250,000 and capital losses of £103,000 carried forward and available for future relief

ABERFORD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant & Machinery £	Motor Vehicles £	Office Equipment £
Group				
Cost				
At 3 April 2010	1,254,422	10,758,145	201,121	740,940
Additions	10,774	22,809	13,786	25,268
Disposals	-	-	(91,189)	(7,196)
At 1 April 2011	1,265,196	10,780,954	123,718	759,012
Depreciation				
At 3 April 2010	228,011	10,210,908	166,790	569,906
Charge for the year	80,246	183,006	8,382	30,802
On disposals	-	-	(65,869)	(4,512)
At 1 April 2011	308,257	10,393,914	109,303	596,196
Net book value				
At 1 April 2011	956,939	387,040	14,415	162,816
At 2 April 2010	1,026,411	547,237	34,331	171,034
Group				Total
Cost				£
At 3 April 2010				12,954,628
Additions				72,637
Disposals				(98,385)
At 1 April 2011				12,928,880
Depreciation				
At 3 April 2010				11,175,615
Charge for the year				302,436
On disposals				(70,381)
At 1 April 2011				11,407,670
Net book value				
At 1 April 2011				1,521,210
At 2 April 2010				1,779,013

ABERFORD INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

9. FIXED ASSET INVESTMENTS

Group	Listed Investments £	Unlisted Investments £	Total £
Cost or valuation			
At 3 April 2010 and 1 April 2011	4,623	50,000	54,623
Net book value			
At 1 April 2011	4,623	50,000	54,623
At 2 April 2010	4,623	50,000	54,623
Listed investments			

The market value of the listed investments at 1 April 2011 was £4,623 (2010 - £4,623)

The unlisted investment comprises 1 ordinary share of 1 Rand in Cedarbrook (Pty) Limited, a company incorporated in South Africa. The shareholding comprises 16.6% of the issued share capital of the company. The principal activity of the company is that of soft furnishings and allied fabrics. The investment is stated at cost.

Company	Investments in Subsidiary Companies £
Cost or valuation	
At 3 April 2010 and 1 April 2011	7,010,542
Impairment	
At 3 April 2010	4,083,569
Charge for the year	(100,349)
At 1 April 2011	3,983,220
Net book value	
At 1 April 2011	3,027,322
At 2 April 2010	2,926,973

Details of the principal subsidiaries can be found under note number 10

ABERFORD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

10. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Springbrook Limited	UK	100%	Dormant
Riverside Knitting Co Limited	UK	100%	Dormant
Cloverbrook Limited	UK	100%	Design and merchandising of textiles
Brook Knitting Limited	UK	100%	Dormant
Anglo Textiles SAE	Egypt	100%	Knitting and finishing of textiles
Brook Finishing Co Limited	UK	50%	Dormant

11. STOCKS

	Group	
	1 April 2011	2 April 2010
	£	£
Raw materials	1,311,000	862,310
Work in progress	24,025	268,092
Finished goods and goods for resale	358,726	386,109
	1,693,751	1,516,511

The difference between the purchase price or production cost of stocks and their replacement cost is not material

12. DEBTORS

	Group		Company	
	1 April 2011	2 April 2010	1 April 2011	2 April 2010
	£	£	£	£
Trade debtors	931,549	1,799,756	-	-
Other debtors	1,758,952	1,651,752	1,560,700	-
Prepayments and accrued income	58,880	119,271	-	-
	2,749,381	3,570,779	1,560,700	-

ABERFORD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

13. CREDITORS:

Amounts falling due within one year

	Group		Company	
	1 April 2011 £	2 April 2010 £	1 April 2011 £	2 April 2010 £
Bank overdraft	135,173	264,697	-	-
Other loans	860,000	860,000	-	-
Trade creditors	378,867	450,634	-	-
Amounts owed to group undertakings	-	-	1,486,092	-
Social security and other taxes	67,603	75,781	-	-
Other creditors	600,000	70,118	400,000	-
Accruals and deferred income	325,465	686,057	-	-
	<u>2,367,108</u>	<u>2,407,287</u>	<u>1,886,092</u>	<u>-</u>

The bank overdraft is secured by a cross guarantee between the UK operating companies and by a fixed and floating charge over the assets of the business

14. SHARE CAPITAL

	1 April 2011 £	2 April 2010 £
Allotted, called up and fully paid		
176,500 Ordinary shares of £1 each	<u>176,500</u>	<u>176,500</u>

15. RESERVES

Group	Share premium account £	Other reserves £	Profit and loss account £
At 3 April 2010	6,834,043	3,830,051	(6,745,878)
Loss for the year			(539,899)
At 1 April 2011	<u>6,834,043</u>	<u>3,830,051</u>	<u>(7,285,777)</u>

ABERFORD INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

15. RESERVES (continued)

Company	Share premium account £	Profit and loss account £
At 3 April 2010	6,834,043	(4,083,569)
Profit for the year		100,349
	<u>6,834,043</u>	<u>(3,983,220)</u>
At 1 April 2011	<u>6,834,043</u>	<u>(3,983,220)</u>

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	1 April 2011 £	2 April 2010 £
Opening shareholders' funds	4,094,716	5,461,841
Loss for the year	(539,899)	(1,367,125)
	<u>3,554,817</u>	<u>4,094,716</u>
Closing shareholders' funds	<u>3,554,817</u>	<u>4,094,716</u>
Company	£	£
Opening shareholders' funds	2,926,974	4,409,742
Profit/(loss) for the year	100,349	(1,482,768)
	<u>3,027,323</u>	<u>2,926,974</u>
Closing shareholders' funds	<u>3,027,323</u>	<u>2,926,974</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account

The profit/(loss) for the year dealt with in the accounts of the company was £100,349 (2010 - £(1,482,768))

ABERFORD INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 1 April 2011

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating loss	(526,510)	(1,361,606)
Depreciation of tangible fixed assets	302,436	333,048
(Profit)/loss on disposal of tangible fixed assets	(2,491)	55,485
(Increase)/decrease in stocks	(177,240)	674,213
Decrease/(increase) in debtors	820,420	(210,119)
Increase in creditors	89,345	173,261
Net cash inflow/(outflow) from operating activities	505,960	(335,718)

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest paid	(13,389)	(6,008)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(72,637)	(144,420)
Sale of tangible fixed assets	30,495	139,646
Net cash outflow from capital expenditure	(42,142)	(4,774)

19. ANALYSIS OF CHANGES IN NET DEBT

	3 April 2010 £	Cash flow £	Other non-cash changes £	1 April 2011 £
Cash at bank and in hand	130,622	321,883	-	452,505
Bank overdraft	(264,697)	129,524	-	(135,173)
	(134,075)	451,407	-	317,332
Debt:				
Debts due within one year	(860,000)	-	-	(860,000)
Net debt	(994,075)	451,407	-	(542,668)

ABERFORD INVESTMENTS LIMITED

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20. PENSION COMMITMENTS

The group is a member of the Cloverbrook Limited Employee Benefits Scheme, a defined contributions pension scheme and the pension cost charge represents contributions payable by the group to the scheme in respect of the period

21. RELATED PARTY TRANSACTIONS

An amount of £1,560,700 (2010 - £1,560,700) was due from Smallshaw Properties LLP, a partnership in which S Chippendale & Aberford Investments Limited are members. The debt is interest free and repayable on demand.

An amount of £17,667 (2010 - £17,667) is due from The Cloverbrook Self Administered Pension Fund.

An amount of £200,000 (2010 - £Nil) is due to S Chippendale, a director. This is interest free with no fixed terms for repayment.

An amount of £400,000 (2010 - £Nil) is due to , K Chippendale, a shareholder. This is interest free with no fixed terms for repayment.

22. CONTROLLING PARTY

The company is controlled by S Chippendale.