

Registered number: 4675403

**CLOVERBROOK HOLDINGS LTD
(FORMERLY ABERFORD INVESTMENTS
LIMITED)**

**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2014

TUESDAY



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COMPANIES HOUSE

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

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

COMPANY INFORMATION

DIRECTORS	S Chippendale J Wilkinson
COMPANY SECRETARY	J Wilkinson
REGISTERED NUMBER	4675403
REGISTERED OFFICE	Sandringham Court Bentley Wood Way Burnley Lancashire BB11 5PY
INDEPENDENT AUDITORS	PM+M Solutions for Business LLP Chartered Accountants & Statutory Auditors Greenbank Technology Park Challenge Way Blackburn Lancashire BB1 5QB
BANKERS	HSBC Bank PLC 12 Manchester Road Burnley Lancashire BB11 1JH

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

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CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

DIRECTORS' REPORT
for the year ended 31 March 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group strategic report, 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 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.

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.

RESULTS

The profit for the year, after taxation, amounted to £37,478 (2013 - £251,044).

DIRECTORS

The directors who served during the year were:

S Chippendale
J Wilkinson

ENVIRONMENTAL MATTERS

The group seeks to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The group rigorously complies with all applicable legislation and regulations.

FUTURE DEVELOPMENTS

The directors continue to focus on servicing the needs of its customers through the optimisation of technical excellence and production efficiency and seeks all opportunities to grow the group through investment in its people, its plant and machinery and the development of new products.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

DIRECTORS' REPORT
for the year ended 31 March 2014

EMPLOYEE INVOLVEMENT

The group sees it's people as fundamental to it's success. It is the policy of the group to ensure that employees are motivated, highly trained and fully involved in the development and success of the group.

DISABLED EMPLOYEES

The group ensures that the disabled continue to receive consideration for employment which is equal to that given to the able-bodied, taking account of their particular abilities and job requirement. All possible efforts are made to maintain continuity of employment for existing employees who became disabled.

DISCLOSURE 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 relevant audit information and to establish that the company and the group's auditors are aware of that information.

AUDITORS

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

CHANGE OF NAME

On 19 August 2013 the company changed its name from Aberford Investments Limited to Cloverbrook Holdings Ltd.

This report was approved by the board on 22 December 2014 and signed on its behalf.



S Chippendale
Director

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)**GROUP STRATEGIC REPORT**
for the year ended 31 March 2014

BUSINESS REVIEW

The group's principal activity is the design, manufacture and marketing of high-performance knitted fabrics for the fashion, sports, outdoor, industrial and automotive markets.

The group trades as a worldwide supplier of product sourced, both, through its subsidiary company Cloverbrook Textiles Egypt SAE (CTE) and also commissioned from other UK suppliers.

The group are specialist manufacturers in the following sectors

- Performance sportswear fabrics
- Brushed leisurewear fabrics
- Fabrics for the automotive market

During the current year we further expanded our product portfolio and our manufacturing capability and capacity, with the intention of further penetrating existing markets and entering new ones.

Our Trims business operating in Leicester had a successful and profitable year driven by its quick response capability in meeting the needs of niche fashion sectors.

The group turnover for the year increased by £1.47 Million to £8.8 Million. Operating profit increased from £322,247 to £432,655. The Net Profit after tax however fell from £251,044 to £37,478. The latter was, however, after an exceptional provision of £250,000 against amounts due from a participating interest.

During the year the company's Long Leasehold property in Egypt was professionally valued at £1.7 Million. The Directors have included this upward revaluation at the year end to create a revaluation reserve of £762k.

In the opinion of the Directors the group was in a financially sound position to take advantage of the growth opportunities that are available. New product lines are being explored and consideration is being given to investing in further production capacity.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk continues to be the national political and economic uncertainties existing in Egypt where our largest global supplier is based. However we have seen very little detrimental effect on our business and continue to receive important and valuable economic support from the government of Egypt.

In addition the group, as with many other offshore producers and suppliers, faces the risks that derive from trading in international currencies. The group endeavours to mitigate this risk by rigorous exchange rate management processes.

FINANCIAL KEY PERFORMANCE INDICATORS

Our key performance indicators include

- sales and profit before taxation of the company and group against budget.

In addition, the following are essential to maintaining cost effectiveness and long term business relationships with our global brand and OEM customer base.

- manufacturing quality and performance data
- new product developments
- customer quality and delivery performance feedback
- continuing formal industry quality accreditation (ISO9001 and TS16149).

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

GROUP STRATEGIC REPORT (continued)
for the year ended 31 March 2014

We recognise the importance of continuing to invest in the training and development of our people to achieve the above performance standards.

This report was approved by the board on 22 December 2014 and signed on its behalf.


S Chippendale
Director

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CLOVERBROOK HOLDINGS LTD
(FORMERLY ABERFORD INVESTMENTS LIMITED)**

We have audited the financial statements of Cloverbrook Holdings Ltd (formerly Aberford Investments Limited) for the year ended 31 March 2014, set out on pages 9 to 27. 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 Group strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 March 2014 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 MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CLOVERBROOK HOLDINGS LTD
(FORMERLY 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
Statutory Auditors

Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

22 December 2014

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2014

	Note	2014 £	2013 £
TURNOVER	1,2	8,838,118	7,370,628
Change in stocks of finished goods and work in progress		144,230	29,457
Raw materials and consumables		(6,159,578)	(5,016,624)
Other external charges		(496,933)	(691,170)
Staff costs		(1,575,234)	(1,111,549)
Depreciation and amortisation		(317,948)	(258,495)
OPERATING PROFIT	3	432,655	322,247
Provision against amounts due from participating interest	23	(250,000)	-
Interest payable and similar charges	6	(145,177)	(71,203)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		37,478	251,044
Tax on profit on ordinary activities	7	-	-
PROFIT FOR THE FINANCIAL YEAR		37,478	251,044

All amounts relate to continuing operations.

The notes on pages 14 to 27 form part of these financial statements.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

for the year ended 31 March 2014

	Note	2014 £	2013 £
PROFIT FOR THE FINANCIAL YEAR		37,478	251,044
Unrealised surplus on revaluation of tangible fixed assets		762,316	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		799,794	251,044

The notes on pages 14 to 27 form part of these financial statements.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

Registered number: 4675403

CONSOLIDATED BALANCE SHEET
as at 31 March 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	8		2,457,276		1,609,320
Investments	9		54,623		54,623
			<u>2,511,899</u>		<u>1,663,943</u>
CURRENT ASSETS					
Stocks	11	2,802,715		2,423,657	
Debtors	12	3,903,213		3,027,398	
Cash at bank and in hand		205,706		716,276	
		<u>6,911,634</u>		<u>6,167,331</u>	
CREDITORS: amounts falling due within one year	13	(3,778,248)		(2,996,305)	
NET CURRENT ASSETS			<u>3,133,386</u>		<u>3,171,026</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,645,285</u>		<u>4,834,969</u>
CREDITORS: amounts falling due after more than one year	14		(24,042)		(13,520)
NET ASSETS			<u>5,621,243</u>		<u>4,821,449</u>
CAPITAL AND RESERVES					
Called up share capital	15		576,500		576,500
Share premium account	16		6,834,043		6,834,043
Revaluation reserve	16		762,316		-
Other reserves	16		3,830,051		3,830,051
Profit and loss account	16		(6,931,212)		(6,968,690)
SHAREHOLDERS' FUNDS	17		<u>5,071,698</u>		<u>4,271,904</u>
MINORITY INTERESTS	18		<u>549,545</u>		<u>549,545</u>
			<u>5,621,243</u>		<u>4,821,449</u>

The notes on pages 14 to 27 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 December 2014.


S Chippendale
 Director

The notes on pages 14 to 27 form part of these financial statements.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

Registered number: 4675403

COMPANY BALANCE SHEET
as at 31 March 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Investments	9		2,969,432		2,937,143
CURRENT ASSETS					
Debtors		1,310,700		1,560,700	
CREDITORS: amounts falling due within one year	13	(1,560,942)		(1,560,942)	
NET CURRENT LIABILITIES			(250,242)		(242)
NET ASSETS			2,719,190		2,936,901
CAPITAL AND RESERVES					
Called up share capital	15		576,500		576,500
Share premium account	16		6,834,043		6,834,043
Profit and loss account	16		(4,691,353)		(4,473,642)
SHAREHOLDERS' FUNDS	17		2,719,190		2,936,901

The notes on pages 14 to 27 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 December 2014.


S Chippendale
Director

The notes on pages 14 to 27 form part of these financial statements.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	19	(499,405)	(437,829)
Returns on investments and servicing of finance	20	(145,177)	(71,203)
Capital expenditure and financial investment	20	(379,300)	(460,017)
CASH OUTFLOW BEFORE FINANCING	21	(1,023,882)	(969,049)
Financing	20	(14,112)	(6,526)
DECREASE IN CASH IN THE YEAR	21	(1,037,994)	(975,575)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
for the year ended 31 March 2014

		2014 £	2013 £
Decrease in cash in the year	21	(1,037,994)	(975,575)
Cash outflow from decrease in debt and lease financing	20	14,112	6,526
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	21	(1,023,882)	(969,049)
New finance lease	21	(24,288)	(10,013)
MOVEMENT IN NET DEBT IN THE YEAR		(1,048,170)	(979,062)
Net debt at 1 April 2013	21	(1,671,547)	(692,485)
NET DEBT AT 31 MARCH 2014	21	(2,719,717)	(1,671,547)

The notes on pages 14 to 27 form part of these financial statements.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

1. ACCOUNTING POLICIES
1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of long leasehold property and in accordance with applicable accounting standards.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Cloverbrook Holdings Ltd (formerly 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 or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold 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 Revaluation of tangible fixed assets

Individual long leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and loss account.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)**NOTES TO THE FINANCIAL STATEMENTS**
for the year ended 31 March 2014

1. ACCOUNTING POLICIES (continued)**1.7 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 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.

1.9 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.

1.10 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.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

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.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

1. ACCOUNTING POLICIES (continued)**1.11 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.

1.12 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.

1.13 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.

2. TURNOVER

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

A geographical analysis of turnover is as follows:

	2014 £	2013 £
UK	604,044	511,636
Other EU	3,669,230	3,081,434
Rest of world	4,564,844	3,777,558
	<u>8,838,118</u>	<u>7,370,628</u>

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the group	298,464	249,979
- held under finance leases	10,399	8,444
Auditors' remuneration	12,000	9,000
Operating lease rentals:		
- other operating leases	20,407	27,676
Difference on foreign exchange	(84,314)	11,235

Auditors' fees for the company were £3,000 (2013: £3,000)

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	1,412,663	954,394
Social security costs	149,070	139,097
Other pension costs	13,501	18,058
	<u>1,575,234</u>	<u>1,111,549</u>

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

	No.	No.
Production	270	195
Administration	60	56
	<u>330</u>	<u>251</u>

5. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>129,158</u>	<u>127,256</u>

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

6. INTEREST PAYABLE

	2014 £	2013 £
On bank loans and overdrafts	142,339	67,811
On finance leases and hire purchase contracts	2,838	3,392
	<u>145,177</u>	<u>71,203</u>

7. TAXATION

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - *lower than*) the standard rate of corporation tax in the UK of 23% (2013 - 24%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>37,478</u>	<u>251,044</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 24%)	8,620	60,251
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	57,511	75
Capital allowances for year in excess of depreciation	(81,696)	(57,354)
Tax losses carried forward	76,111	59,719
Other timing differences leading to an increase (decrease) in taxation	-	(994)
Non-taxable income	(60,546)	(61,697)
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

There are tax trading losses of £5,975,000 and capital losses of £123,000 carried forward and available for relief against future profits.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

8. TANGIBLE FIXED ASSETS

Group	Long leasehold property £	Plant & Machinery £	Motor Vehicles £	Office Equipment £	Total £
Cost or valuation					
At 1 April 2013	1,359,406	6,945,990	117,127	687,306	9,109,829
Additions	117,491	166,617	71,614	102,779	458,501
Disposals	-	(84,269)	(9,768)	-	(94,037)
Revaluation surplus/(deficit)	223,103	-	-	-	223,103
At 31 March 2014	1,700,000	7,028,338	178,973	790,085	9,697,396
Depreciation					
At 1 April 2013	459,176	6,439,572	86,237	515,524	7,500,509
Charge for the year	80,037	148,321	15,197	65,308	308,863
On disposals	-	(20,271)	(9,768)	-	(30,039)
On revalued assets	(539,213)	-	-	-	(539,213)
At 31 March 2014	-	6,567,622	91,666	580,832	7,240,120
Net book value					
At 31 March 2014	1,700,000	460,716	87,307	209,253	2,457,276
At 31 March 2013	900,230	506,418	30,890	171,782	1,609,320

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2014 £	2013 £
Plant and machinery	11,691	-
Motor vehicles	28,319	30,898
	<u>40,010</u>	<u>30,898</u>

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

8. TANGIBLE FIXED ASSETS (continued)

The group's freehold property in Egypt was valued at £1.7m subsequent to the year end. The valuation was carried out by Ashraf Zakariya Hamed, an independent appraisal expert, on an existing use basis.

Cost or valuation at 31 March 2014 is as follows:

	Long leasehold land and buildings £
Group	
At cost	-
At valuation:	
31 March 2014	1,700,000
	<u>1,700,000</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2014 £	2013 £
Group		
Cost	1,476,897	-
Accumulated depreciation	(539,213)	-
	<u>937,684</u>	<u>-</u>
Net book value		

9. FIXED ASSET INVESTMENTS

	Listed Investments £	Unlisted Investments £	Total £
Group			
Cost or valuation			
At 1 April 2013 and 31 March 2014	4,623	50,000	54,623
Net book value			
At 31 March 2014	4,623	50,000	54,623
At 31 March 2013	4,623	50,000	54,623

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

9. FIXED ASSET INVESTMENTS (continued)

Listed investments

The market value of the listed investments at 31 March 2014 was £4,623 (2013 - £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	Investment in subsidiary companies £
Cost or valuation	
At 1 April 2013 and 31 March 2014	7,410,542
Impairment	
At 1 April 2013	4,473,399
Charge for the year	(32,289)
At 31 March 2014	4,441,110
Net book value	
At 31 March 2014	2,969,432
At 31 March 2013	2,937,143

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

10. PRINCIPAL SUBSIDIARIES

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

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

11. STOCK

	<u>Group</u>	
	2014	2013
	£	£
Raw materials	2,084,252	1,849,424
Work in progress	160,343	78,518
Finished goods and goods for resale	558,120	495,715
	<u>2,802,715</u>	<u>2,423,657</u>

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

12. DEBTORS

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	2,153,226	1,162,656	-	-
Other debtors	1,718,208	1,830,337	1,310,700	1,560,700
Prepayments and accrued income	31,779	34,405	-	-
	<u>3,903,213</u>	<u>3,027,398</u>	<u>1,310,700</u>	<u>1,560,700</u>

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 201413. CREDITORS:
Amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank overdraft	2,028,759	1,501,335	-	-
Other loans	860,000	860,000	-	-
Net obligations under finance leases and hire purchase contracts	12,622	12,968	-	-
Trade creditors	696,707	369,506	-	-
Amounts owed to group undertakings	-	-	1,560,942	1,560,942
Other taxation and social security	32,672	37,670	-	-
Other creditors	50,000	130,000	-	-
Accruals and deferred income	97,488	84,826	-	-
	<u>3,778,248</u>	<u>2,996,305</u>	<u>1,560,942</u>	<u>1,560,942</u>

The Commercial International Bank of Egypt has provided facilities of US\$4m, in the form of letters of credit, IDC, time loan and overdraft, to Cloverbrook Textiles Egypt S.A.E. The bank reserves the right to create charges over that company in the event that they have good reason, based upon the company's performance, to formalise those charges. No indication has been given, or events arisen, that have given reason to believe that this right is likely to be exercised.

Net obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

14. CREDITORS:
Amounts falling due after more than one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	<u>24,042</u>	<u>13,520</u>	<u>-</u>	<u>-</u>

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 201414. CREDITORS:
Amounts falling due after more than one year (continued)

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Between one and five years	24,042	13,520	-	-

Net obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

15. SHARE CAPITAL

	2014	2013
	£	£
Allotted, called up and fully paid		
176,500 Ordinary shares of £1 each	176,500	176,500
400,000 4% non-cumulative non-voting preference shares of £1 each	400,000	400,000
	<u>576,500</u>	<u>576,500</u>

The preference shares have no voting rights or redemption date. They rank in priority to the Ordinary Shares in the event of a winding up.

16. RESERVES

	Share premium account	Revaluation reserve	Other reserves	Profit and loss account
	£	£	£	£
Group				
At 1 April 2013	6,834,043		3,830,051	(6,968,690)
Profit for the year				37,478
Surplus on revaluation of freehold property		762,316		
At 31 March 2014	<u>6,834,043</u>	<u>762,316</u>	<u>3,830,051</u>	<u>(6,931,212)</u>

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

16. RESERVES (continued)

Company	Share premium account £	Profit and loss account £
At 1 April 2013	6,834,043	(4,473,642)
Loss for the year		(217,711)
At 31 March 2014	<u>6,834,043</u>	<u>(4,691,353)</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	2014 £	2013 £
Opening shareholders' funds	4,271,904	4,020,860
Profit for the financial year	37,478	251,044
Other recognised gains and losses during the year	762,316	-
Closing shareholders' funds	<u>5,071,698</u>	<u>4,271,904</u>
Company	£	£
Opening shareholders' funds	2,936,901	2,936,901
(Loss)/profit for the financial year	(217,711)	-
Closing shareholders' funds	<u>2,719,190</u>	<u>2,936,901</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 (loss)/profit for the year dealt with in the accounts of the company was £217,711 (2013 - £NIL).

18. MINORITY INTERESTS

The minority interest comprises a 50% share in Brook Finishing Co Limited.

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	432,655	322,247
Depreciation of tangible fixed assets	308,863	258,423
Loss on disposal of tangible fixed assets	9,085	72
Increase in stocks	(379,058)	(259,906)
Increase in debtors	(1,125,815)	(323,294)
Increase/(decrease) in creditors	254,865	(435,371)
Net cash outflow from operating activities	(499,405)	(437,829)

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

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest paid	(142,339)	(67,811)
Hire purchase interest	(2,838)	(3,392)
Net cash outflow from returns on investments and servicing of finance	(145,177)	(71,203)

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(434,213)	(460,625)
Sale of tangible fixed assets	54,913	608
Net cash outflow from capital expenditure	(379,300)	(460,017)

	2014 £	2013 £
Financing		
Repayment of finance leases	(14,112)	(6,526)

CLOVERBROOK HOLDINGS LTD (FORMERLY ABERFORD INVESTMENTS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

21. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	716,276	(510,570)	-	205,706
Bank overdraft	(1,501,335)	(527,424)	-	(2,028,759)
	<u>(785,059)</u>	<u>(1,037,994)</u>	<u>-</u>	<u>(1,823,053)</u>
Debt:				
Debts due within one year	(872,968)	14,112	(13,766)	(872,622)
Debts falling due after more than one year	(13,520)	-	(10,522)	(24,042)
	<u>(1,671,547)</u>	<u>(1,023,882)</u>	<u>(24,288)</u>	<u>(2,719,717)</u>
Net debt	<u>(1,671,547)</u>	<u>(1,023,882)</u>	<u>(24,288)</u>	<u>(2,719,717)</u>

22. PENSION COMMITMENTS

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

23. RELATED PARTY TRANSACTIONS

An amount of £1,560,700 (2013 - £1,560,700) is due from Smallshaw Properties LLP, a partnership in which S Chippendale & Cloverbrook Holdings Ltd are members. The debt is interest free and repayable on demand. A provision of £250,000 has been made against this debt.

At the year end the group owed S Chippendale, a director of the company an amount of £50,000 (2013 - £130,000). The loan has no fixed repayment terms.

At the year end the group was owed an amount of £16,667 (2013 - £16,667) by the C B Self-Administered Pension Fund. The loan has no fixed repayment terms.

At the year end the group owed an amount of £860,000 (2013 - £860,000) to the David Chippendale 1998 Settlement of, which S Chippendale is a trustee. The loan has no fixed repayment terms.

24. CONTROLLING PARTY

The company is controlled by S. Chippendale.