

# **KIRIL MISCHEFF (TRADING) LIMITED**

**Company Registration Number 5486353**

**Annual Report and Financial Statements**

**Year ended 30 September 2009**



Brown Butler  
Chartered Accountants  
Leeds

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Officers and Professional Advisers

Directors	R A R Mischeff A V Charlton T A Davies M K L Jackson I R Marlow D A Mirchev V G Morrell W R S Neill
Secretary	T A Davies
Registered Office	Broadwall House 21 Broadwall London SE1 9PL
Company Registration Number	5486353
Statutory Auditor	Brown Butler Chartered Accountants Apsley House 78 Wellington Street Leeds LS1 2JT
Bankers	Royal Bank of Scotland plc 9 <sup>th</sup> Floor 280 Bishopgate London EC3M 5RB
Solicitors	Laytons Solicitors Carmelite 50 Victoria Embankment Blackfriars London EC4Y 0LS

## Directors' Report

The directors present their report together with the audited financial statements of the company and the group for the year ended 30 September 2009

### 1 Activities, review of the business and future development

The company is the parent company of Kiril Mischeff (Group) Limited, the holding company of the Kiril Mischeff group of companies

The principal activities of the group are the importing and distribution of food products, food products broking and trading, shipping and forwarding

The results of the group reflect the trading results of its subsidiaries

Sales in the group's food sector businesses were above forecasts but margins, as expected, reduced. The group's shipping and forwarding business enjoyed increased activity in the first six months of the year, but reduced activity thereafter

Whilst we expect a reduction in turnover in the coming year we expect broadly similar results

### 2 Results and dividends

The results for the year are shown in the group profit and loss account on page 6. The profit for the year after taxation was £498,695

No interim dividends were paid during the year. The directors do not recommend payment of a final dividend

### 3 Fixed assets

Changes in fixed assets are summarised in note 9 to the financial statements

### 4 Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires 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 apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable UK accounting standards have been followed subject to any material departures disclosed and explained in the financial statements,
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will continue to operate

The directors are responsible for keeping proper accounting records which 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

Directors' Report (continued)

5 Directors and their interests

The present composition of the board is set out on page 1

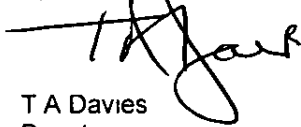
The directors who held office during the year are as set out below -

R A R Mischeff  
A V Charlton  
T A Davies  
M K L Jackson  
I R Marlow  
D A Mirchev  
V G Morrell  
W R S Neill

6 Audit enquiries

So far as the directors are aware there is no information relevant to the audit of which the company's auditors are unaware. The directors have taken the necessary steps to ensure they themselves are aware of all relevant audit information and made sure that the company's auditors are also aware of that information.

By order of the Board



T A Davies  
Director

3 March 2010

Independent Auditor's Report to the Members of Kiril Mischeff (Trading) Limited

We have audited the financial statements of Kiril Mischeff (Trading) Limited for the year ended 30 September 2009 which comprise the Consolidated Profit and Loss Account, Consolidated and Company Balance Sheets, Consolidated Cash Flow Statement and related notes. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's 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 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

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 and 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group and parent company's affairs as at 30 September 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Continued on page 5

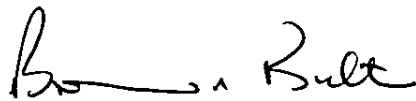
Independent Auditor's Report to the Members of Kiril Mischeff (Trading) Limited

Continued from page 4

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 group and parent company's 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



Robert Solyom (Senior Statutory Auditor)  
For and on behalf of Brown Butler  
Chartered Accountants and Statutory Auditor

Apsley House  
78 Wellington Street  
Leeds  
LS1 2JT

8 March 2010

Consolidated Profit and Loss Account  
30 September 2009

	Note	2009 £	2008 £
Turnover		98,349,547	92,043,388
Cost of sales		92,346,607	86,767,068
Gross profit		6,002,940	5,276,320
Distribution costs		2,330,955	1,617,294
Administrative expenses		2,721,517	2,567,185
Operating profit		950,468	1,091,841
Exceptional items	3	264,908	400,900
Profit on ordinary activities before interest		685,560	690,941
Interest payable and similar charges	4	31,677	311,416
Profit on ordinary activities before taxation	6	653,883	379,525
Tax on profit on ordinary activities	7	155,188	105,252
Profit for the financial year	19	498,695	274,273

The group had no recognised gains or losses other than the profit for the year, and the above results derive from continuing operations



Kiri Mischeff (Trading) Limited

Consolidated Balance Sheet  
30 September 2009

	Note	2009 £	2008 £
Fixed assets			
Tangible assets	9	457,330	486,199
Current assets			
Stock	11	4,714,807	5,161,508
Debtors	12	15,909,496	15,719,433
Cash at bank and in hand		1,595,722	2,017,994
		<u>22,220,025</u>	<u>22,898,935</u>
Creditors amounts falling due within one year	13	<u>19,475,391</u>	<u>20,749,221</u>
Net current assets		<u>2,744,634</u>	<u>2,149,714</u>
Total assets less current liabilities		<u>3,201,964</u>	<u>2,635,913</u>
Creditors amounts falling due after more than one year	14	<u>1,074,752</u>	<u>1,007,396</u>
		<u><u>2,127,212</u></u>	<u><u>1,628,517</u></u>
Capital and reserves			
Called up share capital	18	50,000	50,000
Profit and loss account	19	<u>2,077,212</u>	<u>1,578,517</u>
Equity shareholders' funds	20	<u><u>2,127,212</u></u>	<u><u>1,628,517</u></u>

These financial statements were approved and authorised for issue by the board on 3 March 2010 and signed on its behalf by

T A Davies

D A Mirchev

Directors

The notes on pages 10 to 21 form part of these financial statements


Kiril Mischeff (Trading) Limited

Company Balance Sheet  
30 September 2009

	Note	2009 £	2008 £
Fixed assets			
Investments	10	670,000	670,000
Current assets			
Debtors		<u>3,924</u>	<u>2,724</u>
Creditors amounts falling due within one year	13	<u>93,000</u>	<u>93,000</u>
Net current liabilities		(89,076)	(90,276)
Total assets less current liabilities		580,924	579,724
Creditors amounts falling due after more than one year	14	<u>351,750</u>	<u>418,750</u>
		<u>229,174</u>	<u>160,974</u>
Capital and reserves			
Called up share capital	18	50,000	50,000
Profit and loss account	19	<u>179,174</u>	<u>110,974</u>
Shareholders' funds	20	<u>229,174</u>	<u>160,974</u>

These financial statements were approved and authorised for issue by the board on 3 March 2010 and signed on its behalf by

T A Davies



Directors

D A Mirchev



The notes on pages 10 to 21 form part of these financial statements

Consolidated Cash Flow Statement  
30 September 2009

	Note	2009 £	2008 £
Net cash inflow from operating activities	25a	1,132,589	2,367,704
Return on investments and servicing of finance			
Interest paid		<u>(31,677)</u>	<u>(311,416)</u>
Net cash outflow from returns on investments and servicing of finance		(31,677)	(311,416)
Taxation			
Corporation tax paid		(73,449)	(137,027)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		137,591	133,197
Sale of tangible fixed assets		<u>(17,350)</u>	<u>(41,250)</u>
Net cash outflow from capital expenditure and financial investment		(120,241)	(91,947)
Net cash inflow before financing		907,222	1,827,314
Financing			
Bank loans repaid		(966,801)	(1,921,630)
Loans advanced		67,561	43,443
Capital element of hire purchase			
Repayments		<u>(1,025)</u>	<u>(406)</u>
Net cash outflow from financing		(900,265)	(1,878,593)
Increase/(decrease) in cash	25b	<u>6,957</u>	<u>(51,279)</u>

The notes on pages 10 to 21 form part of these financial statements

Notes to the Financial Statements  
30 September 2009

1 Accounting Policies

(a) Accounting convention

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

(b) Turnover

Turnover represents amounts receivable for goods and services and net agency income from haulage, freight and rental services provided, net of VAT

(c) Depreciation

Depreciation of tangible fixed assets is provided on original cost over their estimated useful lives. The annual rates and methods of depreciation are as follows -

Freehold property	straight line basis over 50 years
Plant, equipment, fixtures and fittings	straight line basis over 5 years
Motor vehicles	straight line basis over 4 years

(d) Leases

Operating lease rentals are charged or credited to the profit and loss account as they are incurred or fall due

(e) Basis of consolidation

The consolidated financial statements combine the financial statements of Kiril Mischeff (Trading) Limited and its subsidiary undertakings

As permitted by Section 408 of the Companies Act 2006, Kiril Mischeff (Trading) Limited has not presented its own profit and loss account

(f) Stock

Stocks are stated at the lower of cost and net realisable value

(g) Pensions

The group operates a defined contribution pension scheme. The pension costs charged to the profit and loss account are the premiums payable in respect of the accounting period

(h) Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax is not recognised when assets are revalued, unless, by the balance sheet date, the company has entered into a binding agreement to sell the assets and recognised the gains or losses expected to arise on sale

(i) Foreign currency translation

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 settled by buying forward foreign exchange contracts. All differences are taken to the profit and loss account

Notes to the Financial Statements  
30 September 2009

2 Turnover

The directors consider it prejudicial to the group's interest to disclose the geographical analysis of turnover

3 Exceptional items

	2009 £	2008 £
Provision for losses on contracts	-	400,900
Provision for irrecoverable loan	264,908	-
	<u>264,908</u>	<u>400,900</u>

4 Interest payable and similar charges

	£	£
On bank loans and overdrafts	<u>31,677</u>	<u>311,416</u>

Notes to the Financial Statements  
30 September 2009

5 Staff costs

Group employee costs, including directors during the year -

	2009 £	2008 £
Wages and salaries	3,070,000	2,367,306
Social security costs	326,149	260,881
Other pension costs	94,607	366,901
	<u>3,490,756</u>	<u>2,995,088</u>

The average number of employees, including directors, during the year was -

	No	No
Office, management and selling	<u>70</u>	<u>72</u>

Directors' emoluments

	£	£
Remuneration	1,393,311	820,771
Other emoluments	39,984	35,444
	<u>1,433,295</u>	<u>856,215</u>
Aggregate emoluments	1,433,295	856,215
Pension contributions	52,379	324,637
	<u>1,485,674</u>	<u>1,180,852</u>

Seven (2008 – seven) directors are accruing pension benefits under money purchase schemes

The emoluments of the highest paid director were as follows -

	£	£
Aggregate emoluments	<u>280,664</u>	<u>167,502</u>

6 Profit on ordinary activities before taxation

	£	£
The profit is after charging / (crediting) -		
Depreciation of owned assets	150,318	147,624
Depreciation of assets held under hire purchase contracts	810	135
Auditor's remuneration – audit services	34,500	31,200
Operating lease charges – land and buildings	26,750	27,216
Profit on disposal of fixed assets	(2,018)	(6,231)
	<u></u>	<u></u>

Notes to the Financial Statements  
30 September 2009

7 Tax charge on profit on ordinary activities

	2009 £	2008 £
Corporation tax		
Current year	95,549	73,121
Adjustments for prior year	318	(3,218)
	<u>95,867</u>	<u>69,903</u>
Transfer in respect of deferred tax	59,321	35,349
Current year tax charge	<u>155,188</u>	<u>105,252</u>

The standard rate of corporation tax is the full rate of United Kingdom corporation tax applicable for the year

A reconciliation of the current year tax charge to the charge that would result from applying the standard rate of tax to the profit on ordinary activities before taxation is set out below

	£	£
Profit on ordinary activities before taxation	<u>653,883</u>	<u>379,525</u>
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax of 28% (2008 – 29%)	183,087	110,062
Effects of -		
Expenses not deductible for tax purposes	3,891	12,778
Depreciation in excess of capital allowances	6,184	750
Movement in unpaid pension contributions	(80,777)	(20,709)
Adjustment in respect of marginal relief	(16,836)	(17,637)
Utilisation of tax losses by certain subsidiaries	-	(12,123)
Adjustment in respect of prior years	318	(3,218)
Current year tax charge	<u>95,867</u>	<u>69,903</u>

The transfer in respect of deferred tax is made up as follows -

Origination and reversal of timing differences	<u>59,321</u>	<u>35,349</u>
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Notes to the Financial Statements  
30 September 2009

## 8 Profit for the year attributable to shareholders

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the company is not presented as part of the financial statements

There is no profit or loss after taxation dealt with in the financial statements of the parent company (2008 loss of £26,000)

## 9 Tangible fixed assets

Group	Freehold property £	Plant, equipment, fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 October 2008	197,788	254,068	405,346	857,202
Additions	-	12,494	125,097	137,591
Disposals	-	-	(53,914)	(53,914)
At 30 September 2009	<u>197,788</u>	<u>266,562</u>	<u>476,529</u>	<u>940,879</u>
Depreciation				
At 1 October 2008	12,121	147,156	211,726	371,003
Charge for the year	4,000	41,001	106,127	151,128
Disposals	-	-	(38,582)	(38,582)
At 30 September 2009	<u>16,121</u>	<u>188,157</u>	<u>279,271</u>	<u>483,549</u>
Net book value				
At 30 September 2008	<u>185,667</u>	<u>106,912</u>	<u>193,620</u>	<u>486,199</u>
At 30 September 2009	<u>181,667</u>	<u>78,405</u>	<u>197,258</u>	<u>457,330</u>
Assets held under hire purchase contracts included above -				
Depreciation charge		<u>810</u>		<u>810</u>
Net book value		<u>3,107</u>		<u>3,107</u>



Notes to the Financial Statements  
30 September 2009

10 Investments

Company

Subsidiary  
Undertakings  
£

Cost

At 1 October 2008 & 30 September 2009

670,000

In the opinion of the directors, the aggregate value of the company's investment in the subsidiary undertakings is not less than the amount included in the balance sheet

At the balance sheet date the subsidiary undertakings were as follows

	Proportion of shares held %	Main activity
Direct holding		
Kiri Mischeff (Group) Limited	100	Non-trading
Indirect holdings		
Kiri Mischeff Limited^	100	Import and distribution of food products
W Saunders (Shipping & Forwarding) Limited*	100	Shipping and forwarding
EE & Brian Smith (1928) Limited*	100	Food broking and trading
CBJ Securities Limited*	100	Investment company
CBJ Holdings Limited*	100	Non-trading
Cereal and General Products Limited*	100	Non-trading
House of York Limited"	100	Non-trading
Brian Smith Holdings Limited~	100	Non-trading

^ Interest held by Kiri Mischeff (Group) Limited

\* Interest held by Kiri Mischeff Limited

" Interest held by CBJ Securities Limited

~ Interest held by EE & Brian Smith (1928) Limited

All shares held in subsidiary companies are ordinary shares

Notes to the Financial Statements  
30 September 2009

11	Stock	2009 Group £	2009 Company £	2008 Group £	2008 Company £
	Finished goods and goods for resale	<u>4,714,807</u>	<u>-</u>	<u>5,161,508</u>	<u>-</u>
12	Debtors	2009 Group £	2009 Company £	2008 Group £	2008 Company £
	Trade debtors	15,785,173	-	15,427,265	-
	Other debtors	31,343	-	97,680	-
	Amounts due from subsidiaries	-	3,924	-	2,724
	Deferred tax asset	42,930	-	102,251	-
	Prepayments	50,050	-	92,237	-
		<u>15,909,496</u>	<u>3,924</u>	<u>15,719,433</u>	<u>2,724</u>

The deferred tax asset is due after more than one year

13	Creditors amounts falling due within one year	2009 Group £	2009 Company £	2008 Group £	2008 Company £
	Bank loans & overdrafts	2,992,790	-	4,388,820	-
	Loan notes	67,000	67,000	67,000	67,000
	Trade creditors	12,870,752	-	12,485,564	-
	Hire purchase creditors	2,098	-	2,918	-
	Social security and taxes	263,690	-	321,816	-
	Amount due to subsidiaries	-	26,000	-	26,000
	Corporation tax	95,549	-	73,131	-
	Accruals and deferred income	3,183,512	-	3,409,972	-
		<u>19,475,391</u>	<u>93,000</u>	<u>20,749,221</u>	<u>93,000</u>

The bank loans & overdrafts are secured on the assets of the group

Hire purchase creditors are secured on the assets to which they relate

Notes to the Financial Statements  
30 September 2009

14 Creditors amounts falling due after more than one year

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Loan notes	351,750	351,750	418,750	418,750
Other creditors	722,478	-	587,917	-
Hire purchase creditors	524	-	729	-
	<u>1,074,752</u>	<u>351,750</u>	<u>1,007,396</u>	<u>418,750</u>

15 Loans

Repayable by instalments

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Loan notes	<u>418,750</u>	<u>418,750</u>	<u>485,750</u>	<u>485,750</u>

Analysis of loan instalments

Amounts due

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Within one year	67,000	67,000	67,000	67,000
Between one and two years	67,000	67,000	67,000	67,000
Between two and five years	201,000	201,000	201,000	201,000
In over five years	83,750	83,750	150,750	150,750
	<u>418,750</u>	<u>418,750</u>	<u>485,750</u>	<u>485,750</u>

The loan notes are repayable in quarterly instalments of £16,750 over a period of ten years from 31 March 2006. The loan notes are interest free.

Notes to the Financial Statements  
30 September 2009

16 Deferred tax asset

Deferred tax is analysed over the following timing differences -

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Depreciation in excess of capital allowances	(42,930)	-	(37,251)	-
Pension contributions unpaid	-	-	(65,000)	-
	<u>(42,930)</u>	<u>-</u>	<u>(102,251)</u>	<u>-</u>

Movements on the provision for deferred tax are as follows -

	£	£	£	£
At 1 October 2008	(102,251)	-	(137,600)	-
Charge in profit and loss account	59,321	-	35,349	-
At 30 September 2009	<u>(42,930)</u>	<u>-</u>	<u>(102,251)</u>	<u>-</u>

17 Pension costs

The group operates a defined contribution pension scheme. The pension cost charge represents contributions payable by the group and amounted to £94,607 (2008 £366,901) for the year. Contributions of £Nil (2008 £288,490) were payable at the year end and are included in creditors.

18 Share capital

	2009 £	2008 £
Allotted, called up and fully paid 500,000 Ordinary shares of 10p each		
At 1 October 2008 and 30 September 2009	<u>50,000</u>	<u>50,000</u>

Notes to the Financial Statements  
30 September 2009

## 19 Profit and loss account

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
At 1 October 2008	1,578,517	110,974	1,304,244	68,774
Retained profit for the year	498,695	68,200	274,273	42,200
At 30 September 2009	<u>2,077,212</u>	<u>179,174</u>	<u>1,578,517</u>	<u>110,974</u>

## 20 Reconciliation of movements in shareholders' funds

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Profit for the year	498,695	68,200	274,273	42,200
Opening shareholders' funds	1,628,517	160,974	1,354,244	118,774
Closing shareholders' funds	<u>2,127,212</u>	<u>229,174</u>	<u>1,628,517</u>	<u>160,974</u>

## 21 Controlling party

The company had no identifiable controlling party during the year

## 22 Related party transactions

## Company

At 30 September 2009 the company owed £418,750 (2008 £485,750) to a director, R A R Mischeff, in respect of loan notes issued to him on the purchase by the company of his 100% shareholding in Kirił Mischeff (Group) Limited. The loan notes are repayable in equal quarterly instalments over a period of ten years from 31 March 2006.

## Group

At 30 September 2009 a loan of £722,478 (2008 £587,917) was due by a group company to Broadwall Properties Limited, a company controlled by R A R Mischeff.

Notes to the Financial Statements  
30 September 2009

23 Leasing commitments

At 30 September 2009 the group had operating lease commitments for the following year as set out below -

	Land & buildings	
	2009	2008
	£	£
Operating leases which expire -		
within less than one year	26,750	-
from one to five years	-	26,750
	<u>26,750</u>	<u>26,750</u>

24 Contingent liabilities

Group

At 30 September 2009 the group had outstanding forward foreign exchange contracts of £32,459,680 (2008 £42,393,562)

The group has jointly and severally guaranteed the bank borrowings of certain group companies. At 30 September 2009 the borrowings covered by these guarantees amounted to £1,703,953 (2008 £2,054,315)

25 Notes to the Cash Flow Statement

a) Reconciliation of operating profit to net cash inflow from operating activities

	2009	2008
	£	£
Operating profit	950,468	1,091,841
Depreciation	151,128	147,759
Profit on disposal of fixed assets	(2,018)	(6,231)
Exceptional items	(264,908)	(400,900)
Decrease/(increase) in stocks	446,701	(1,085,056)
(Increase)/decrease in debtors	(249,384)	1,220,143
Increase in creditors	100,602	1,400,148
Net cash inflow from operating activities	<u>1,132,589</u>	<u>2,367,704</u>

b) Reconciliation of net cash flow to the movement in net debt

	2009	2008
	£	£
Increase/(decrease) in cash in the year	6,957	(51,279)
Movement in bank loans	966,801	1,918,712
Movement in other loans	(66,536)	(44,172)
Movement in net debt in the year	<u>907,222</u>	<u>1,823,261</u>
Opening net debt	(3,448,140)	(5,271,401)
Closing net debt	<u>(2,540,918)</u>	<u>(3,448,140)</u>

Notes to the Financial Statements  
30 September 2009

25 Notes to the Cash Flow Statement (continued)

c) Reconciliation of net cash flow to movement in net debt

	2008 £	Cash flow £	Other £	2009 £
Cash at bank and in hand	2,017,994	(422,272)	-	1,595,722
Bank overdrafts	(2,054,315)	429,229	-	(1,625,086)
	<u>(36,321)</u>	<u>6,957</u>	<u>-</u>	<u>(29,364)</u>
Debt falling due within one year	(2,404,423)	967,621	-	(1,436,802)
Debt falling due after more than one year	(1,007,396)	(67,356)	-	(1,074,752)
	<u>(3,448,140)</u>	<u>907,222</u>	<u>-</u>	<u>(2,540,918)</u>