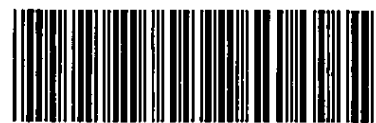


REGISTERED NUMBER: 06599929 (England and Wales)

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012
FOR
DANIELI HOLDINGS LIMITED**

WEDNESDAY



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FOR THE YEAR ENDED 30 APRIL 2012**

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DANIELI HOLDINGS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2012**

DIRECTORS:	N A Winch S W Howe
SECRETARY:	N A Winch
REGISTERED OFFICE:	Silverbirch House Silverbirch, Mylord Crescent Camperdown Industrial Estate Newcastle upon Tyne NE12 5UJ
REGISTERED NUMBER:	06599929 (England and Wales)
AUDITORS:	Robson Laidler LLP Statutory Auditor Fernwood House Fernwood Road Newcastle upon Tyne Tyne and Wear NE2 1TJ
BANKERS:	Lloyds TSB Plc 102 Grey Street Newcastle upon Tyne Tyne and Wear NE1 6AG

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2012**

The directors present their report with the financial statements of the company and the group for the year ended 30 April 2012

PRINCIPAL ACTIVITIES

The principal activities of the group in the year under review were those of security services, respite care and training services

REVIEW OF BUSINESS

We have undertaken an analysis of the group companies' activities and performance and closing year end position. Our review has considered the market conditions prevailing, the opportunities and risks that each company has encountered during the year and we have anticipated what could occur going forward.

Phoenix Eye Limited

The principal activity of the company has been, and will continue to be, the supply of door supervisors, security guards, stadium security and close circuit television installation, maintenance and monitoring. The emphasis will be on the development of our door supervision expansion into southern parts of the UK, as well as the migration of sites with a physical guard to a monitored CCTV rental system.

During the year sales, gross and net profit margins before tax were -

	2012	2011
	£	£
Sales	8,290,787	8,269,001
Gross profit	2,038,689	1,689,876
Net profit/(loss) (excluding management charges)	699,148	398,010

Sales during the financial year have increased by 0.2%. Whilst this may appear to be a relatively low growth, it does include the loss of a stadium contract worth £800k at a relatively low margin. The contract was taken "in-house" so therefore a real terms increase of 11% was achieved over the year.

The gross profit margin is higher than expected. There is an increase in GP% from 20.44% to 24.59% which has been achieved through a streamlined management structure and an increase in the more profitable revenue streams including the release of the Stadium contract.

The net profit margin has decreased slightly. However this is in line with expectation due to the inclusion of a management charge from the holding company. Excluding the management charge the profit ratio has increased from 4.8% to 8.4%.

The financial year ahead is expected to be a good one and the expectation is to increase sales by 10% due to our continued expansion into the North West and Southern part of the UK. The gross profit margin will be retained and the net profit will be in line with expectations.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2012**

Northridge Healthcare Limited

The principal activity of the company is to provide state of the art respite and residential nursing care for adults with complex healthcare needs

Trading activity for this company began when the new development was completed in September 2011

During the year sales, gross and net profit margins before tax were -

	2012
	£
Sales	394,158
Gross profit	123,100
Net profit/(loss)	(6,530)

Performance overall was in line with expectation with weekly occupancy levels reaching 95% in some weeks. Gross profit is deceptive as costs are included which were incurred prior to the opening in September 2011. There was a small loss over the year, however this is a good performance as there were only eight months where revenue was generated.

The expectation for the coming financial year will be to exceed 80% occupancy overall and therefore achieve a profit in the first full year of trading.

Education and Training Services (UK) Limited

The principal activity of the company has been, and will continue to be, the delivery of training programmes within the security sector with the emphasis on train to gain encompassing national vocational qualifications and skills for life.

During the year sales, gross and net profit margins before tax were -

	2012	2011
	£	£
Sales	177,159	252,818
Gross profit	142,801	191,364
Net profit/(loss)	(31,019)	(14,538)

Sales during the financial year have decreased by 29.93% throughout the year due to a continued scarcity of funding.

The gross profit ratio was higher than expected and this was due to reduced payroll costs in the final quarter of the financial year.

The net profit has decreased - due primarily to the decrease in sales - which has affected the gross profit contribution, but overhead costs have been reduced by 32.08% compared to the previous year.

The strategy over the coming financial year will be to focus on training and funding within the Group and match the relevant training needs for Phoenix Eye Limited and Northridge Healthcare Limited. This will result in further reductions in overhead costs to minimise the impact on overall group performance.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2012**

Leisuretime (Leasehold) Limited

The principal activity of the company has been, and will continue to be, the operation of leasehold public houses

During the year sales gross and net profit margins before tax were -

	2012	2011
	£	£
Sales	-	193,153
Gross profit/(loss)	(1,168)	29,260
Net profit/(loss)	(23,980)	(76,065)

The retail pub sector is an area the group is keen to expand into and will continue to be supported by the group as a whole. This sector also allows options on freehold sites to be entered into at an advantageous cost price, of which our healthcare side to the group can take advantage of in redeveloping the site. There was no trading activity at the one site remaining as it was determined that this would be the most cost effective approach to retaining the asset until plans are complete to redevelop the site to a residential nursing home.

The directors remain certain the losses incurred to date will be recovered once the site has been converted to freehold and been fully redeveloped.

Leisuretime (Freehold) Limited

The principal activity of the company has been, and will continue to be, the operation of freehold public houses, or the acquisition of sites suitable for conversion or redevelopment.

During the year sales, gross and net profit margins before tax were -

	2012	2011
	£	£
Sales	-	163,267
Gross profit	-	17,116
Net profit/(loss)	(11,139)	(101,816)

The retail pub sector is an area the group is keen to expand into and will continue to be supported by the group as a whole. This sector also allows the purchase of freehold sites at an advantageous cost price, of which one of our other group companies can take advantage of in redeveloping the site.

We do not anticipate any trading activity for the forthcoming year.

Daniel Property Investments Limited

The principal activity of the company has been, and will continue to be, the purchase and development of freehold properties. Not as a developer in the true sense of the word but as a developer operator in whatever sector the site fits.

Professional Parking Control Limited

The principal activity of the company has been to provide a service to the many hotels we are contracted to look after through our security company Phoenix Eye Limited. We have, however, decided not to continue to trade this company as it is marginally profitable. This company ceased to trade in September 2011 due to a change in vehicle parking control legislation which made the continuation of the business no longer viable.

Phoenix Security UK Limited

This company ceased trading following the transfer of the trade to Phoenix Eye Limited on 5 April 2010.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2012**

Leisuretime Pub Group Limited

The principal activity of this company is to hold the shares for Leisuretime (Freehold) Limited and Leisuretime (Leasehold) Limited. There is no trading activity within this company.

DIVIDENDS

The total distribution of dividends for the year ended 30 April 2012 will be £300,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2011 to the date of this report.

N A Winch
S W Howe

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable 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 inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group'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.

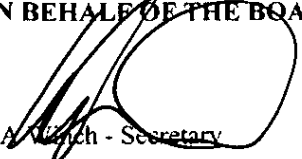
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Robson Laidler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD



N A Winch - Secretary

26 October 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DANIELI HOLDINGS LIMITED

We have audited the financial statements of Danieli Holdings Limited for the year ended 30 April 2012 on pages seven to thirty ~~one~~. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page five, 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 Report of the Directors 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 of the parent company's affairs as at 30 April 2012 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

P Charles FCA (Senior Statutory Auditor)
for and on behalf of Robson Laidler LLP
Statutory Auditor
Fernwood House
Fernwood Road
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ

26 October 2012

DANIELI HOLDINGS LIMITED (REGISTERED NUMBER: 06599929)

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2012**

		2012		2011	
	Notes	£	£	£	£
TURNOVER	2		8,870,981		12,582,409
Continuing operations		8,870,981		8,912,921	
Discontinued operations		-		3,669,488	
Cost of sales	3		6,563,286		6,952,314
GROSS PROFIT	3		2,307,695		5,630,095
Net operating expenses	3		1,952,308		5,504,142
OPERATING PROFIT	5		355,387		125,953
Continuing operations		355,387		(243,265)	
Discontinued operations		-		369,218	
Profit on sale of subsidiary business			-		1,512,574
Profit on sale of minority interest in subsidiary			-		143,623
			355,387		1,782,150
Interest receivable and similar income			6,184		1,381
			361,571		1,783,531
Interest payable and similar charges	6		84,980		151,384
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			276,591		1,632,147
Tax on profit on ordinary activities	7		49,285		93,319
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			227,306		1,538,828
Minority interest - equity			(5,810)		(2,055)
RETAINED PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP			233,116		1,540,883

The notes form part of these financial statements

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 APRIL 2012**

	2012 £	2011 £
PROFIT FOR THE FINANCIAL YEAR	233,116	1,540,883
Unrealised surplus on revaluation of properties	-	255,608
Reversal of unrealised surplus on revaluation of properties in previous years	(255,608)	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(22,492)</u>	<u>1,796,491</u>

CONSOLIDATED BALANCE SHEET
30 APRIL 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	10	892,631	950,682
Tangible assets	11	4,740,538	1,764,502
Investments	12	-	-
Investment property	13	145,000	645,000
		<u>5,778,169</u>	<u>3,360,184</u>
CURRENT ASSETS			
Stocks	14	45,834	16 170
Debtors	15	1,731,921	1,709,998
Cash at bank and in hand		4,248	1,644,473
		<u>1,782,003</u>	<u>3,370,641</u>
CREDITORS			
Amounts falling due within one year	16	4,830,248	4,389,096
NET CURRENT LIABILITIES		<u>(3,048,245)</u>	<u>(1,018,455)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,729,924</u>	<u>2,341,729</u>
CREDITORS			
Amounts falling due after more than one year	17	(835,691)	(131,353)
PROVISIONS FOR LIABILITIES	21	(40,915)	(28,756)
MINORITY INTERESTS	22	(123,479)	(129,289)
NET ASSETS		<u>1,729,839</u>	<u>2,052,331</u>
CAPITAL AND RESERVES			
Called up share capital	23	1,000	1,000
Revaluation reserve	24	-	255 608
Profit and loss account	24	1,728 839	1,795,723
SHAREHOLDERS' FUNDS	29	<u>1 729,839</u>	<u>2,052,331</u>

The financial statements were approved by the Board of Directors on 26 October 2012 and were signed on its behalf by


N A Wych - Director

COMPANY BALANCE SHEET
30 APRIL 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	76,207	152,769
Investments	12	1,110,123	1,110,023
Investment property	13	-	-
		<u>1,186,330</u>	<u>1,262,792</u>
CURRENT ASSETS			
Debtors	15	2,765,875	1,024,073
Cash at bank		35	1,500,000
		<u>2,765,910</u>	<u>2,524,073</u>
CREDITORS			
Amounts falling due within one year	16	<u>2,722,636</u>	<u>2,336,823</u>
NET CURRENT ASSETS		<u>43,274</u>	<u>187,250</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,229,604</u>	<u>1,450,042</u>
CREDITORS			
Amounts falling due after more than one year	17	<u>17,008</u>	<u>70,568</u>
NET ASSETS		<u><u>1,212,596</u></u>	<u><u>1,379,474</u></u>
CAPITAL AND RESERVES			
Called up share capital	23	1,000	1,000
Profit and loss account	24	<u>1,211,596</u>	<u>1,378,474</u>
SHAREHOLDERS' FUNDS	29	<u><u>1,212,596</u></u>	<u><u>1,379,474</u></u>

The financial statements were approved by the Board of Directors on 26 October 2012 and were signed on its behalf by



N A Winch - Director

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2012**

		2012		2011	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		433,028		1,867,920
Returns on investments and servicing of finance	2		(78,796)		(150,003)
Taxation			21,225		(141,770)
Capital expenditure and financial investment	2		(2,737,136)		(1,764,954)
Acquisitions and disposals	2		-		2,615,299
Equity dividends paid			(300,000)		(500,000)
			(2,661,679)		1,926,492
Financing	2		751,980		297,618
(Decrease)/increase in cash in the period			(1,909,699)		2,224,110
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/increase in cash in the period		(1,909,699)		2,224,110	
Cash inflow from increase in debt and lease financing		(867,180)		(418,227)	
Change in net debt resulting from cash flows			(2,776,879)		1,805,883
New finance leases			(187,663)		(24,200)
Movement in net debt in the period			(2,964,542)		1,781,683
Net debt at 1 May			(121,141)		(1,902,824)
Net debt at 30 April			(3,085,683)		(121,141)

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2012**
1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES
Year ended 30 April 2012

	Continuing £	Discontinued £	Total £
Operating profit	355,387	-	355,387
Depreciation charges	258,318	-	258,318
Profit on disposal of fixed assets	(7,111)	-	(7,111)
Increase in stocks	(29,664)	-	(29,664)
Increase in debtors	(43,148)	-	(43,148)
(Decrease)/increase in creditors	(100,754)	-	(100,754)
Net cash inflow from continuing operating activities	433,028		
Net cash inflow from discontinued operating activities		-	
Net cash inflow from operating activities			433,028

Year ended 30 April 2011

	Continuing £	Discontinued £	Total £
Operating profit	(243,265)	369,218	125,953
Depreciation charges	261,595	79,161	340,756
Loss on disposal of fixed assets	724	-	724
Decrease in stocks	25,757	23,930	49,687
Decrease in debtors	(164,592)	477,174	312,582
(Decrease)/increase in creditors	1,248,506	(210,288)	1,038,218
Net cash inflow from continuing operating activities	1,128,725		
Net cash inflow from discontinued operating activities		739,195	
Net cash inflow from operating activities			1,867,920

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	6,184	1,381
Interest paid	(61,448)	(124,195)
Interest element of hire purchase payments	(23,532)	(27,189)
Net cash outflow for returns on investments and servicing of finance	(78,796)	(150,003)
Capital expenditure and financial investment		
Purchase of intangible fixed assets	-	(36,048)
Purchase of tangible fixed assets	(2,837,697)	(1,358,356)
Purchase of investment property	-	(389,392)
Sale of tangible fixed assets	100,561	18,842
Net cash outflow for capital expenditure and financial investment	(2,737,136)	(1,764,954)

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2012**

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT -
continued**

	2012 £	2011 £
Acquisitions and disposals		
Sale of business	-	2,615,299
	<u>-</u>	<u>2,615,299</u>
Net cash inflow for acquisitions and disposals	<u>-</u>	<u>2,615,299</u>
Financing		
Debt factoring finance movement	(13,748)	(59,175)
Bank loan advance in year	1,220,222	546,394
Loan repayments in year	(64,043)	(36,310)
Brewery loan movement in year	(100,167)	100,167
Capital repayments in year	(175,085)	(132,849)
Amount introduced by directors	-	350,000
Amount withdrawn by directors	(115,199)	(470,609)
	<u>751,980</u>	<u>297,618</u>
Net cash inflow from financing	<u>751,980</u>	<u>297,618</u>

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1.5.11 £	Cash flow £	Other non-cash changes £	At 30.4.12 £
Net cash				
Cash at bank and in hand	1,644,473	(1,640,225)		4,248
Bank overdraft	-	(269,474)		(269,474)
	<u>1,644,473</u>	<u>(1,909,699)</u>		<u>(265,226)</u>
Debt				
Hire purchase	(193,708)	175,084	(187,663)	(206,287)
Debts falling due within one year	(1,567,815)	(280,859)	-	(1,848,674)
Debts falling due after one year	(4,091)	(761,405)	-	(765,496)
	<u>(1,765,614)</u>	<u>(867,180)</u>	<u>(187,663)</u>	<u>(2,820,457)</u>
Total	<u>(121,141)</u>	<u>(2,776,879)</u>	<u>(187,663)</u>	<u>(3,085,683)</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

1 ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

The results of all subsidiaries are included in the group profit and loss account from the date of acquisition under the acquisition method of accounting

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Goodwill

Purchased goodwill is amortised by equal annual instalments over its estimated useful life of 5 or 10 years

Goodwill arising on consolidation is the excess of purchase consideration over fair value of the assets of the companies acquired. In the consolidated accounts the amount of goodwill is capitalised and amortised over 20 years, which, in the opinion of the directors, is the period the company will derive the economic benefit from this goodwill.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

CCTV equipment	- 25% on reducing balance and 15% on cost
Plant and machinery	- 25% on cost, 25% on reducing balance, 25% straight line, 20% on reducing balance and 10% straight line basis
Fixtures and fittings	- 25% on cost, 25% straight line, 20% on reducing balance, 15% on reducing balance and 10% straight line basis
Motor vehicles	- 25% on cost, 25% on reducing balance and 20% on reducing balance
Office equipment	- 25% on cost, 25% on reducing balance, 20% on reducing balance and 20% straight line basis

In the opinion of the directors, the estimated residual value of the freehold building at the end of its useful economic life is expected to be greater than its current carrying value in the accounts and so no depreciation has been charged.

The asset in course of construction has not yet been completed and so has not been depreciated.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

This policy represents a departure from statutory accounting principles which require changes in value to be taken to the profit and loss account. The directors consider that this departure is necessary in order that the financial statements may give a true and fair view because changes in current values should only be recognised in the profit and loss account when realised.

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. No discounting is applied to the deferred tax liabilities. A deferred tax asset is recognised when it is considered that there will be sufficient future taxable profits against which the asset can be recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

1 ACCOUNTING POLICIES - continued**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

2 TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below.

	2012 £	2011 £
Security services	8,290,787	8,269,001
Domiciliary care	-	3,669,488
Training services	177,159	252,818
Operation of public houses	-	356,420
Wheel clamping	8,877	34,682
Respite care services	394,158	-
	<u>8,870,981</u>	<u>12,582,409</u>

3 ANALYSIS OF OPERATIONS

	2012 Continuing £	2012 Discontinued £	Total £
Cost of sales	<u>6,563,286</u>	<u>-</u>	<u>6,563,286</u>
Gross profit	<u>2,307,695</u>	<u>-</u>	<u>2,307,695</u>
Net operating expenses			
Administrative expenses	2,040,118	-	2,040,118
Other operating income	(87,810)	-	(87,810)
	<u>1,952,308</u>	<u>-</u>	<u>1,952,308</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

3 ANALYSIS OF OPERATIONS - continued

	Continuing £	2011 Discontinued £	Total £
Cost of sales	<u>6,952,314</u>	<u>-</u>	<u>6,952,314</u>
Gross profit	<u>1,960,607</u>	<u>3,669,488</u>	<u>5,630,095</u>
Net operating expenses			
Administrative expenses	2,336,149	3,301,835	5,637,984
Other operating income	<u>(132,277)</u>	<u>(1,565)</u>	<u>(133,842)</u>
	<u>2,203,872</u>	<u>3,300,270</u>	<u>5,504,142</u>

4 STAFF COSTS

	2012 £	2011 £
Wages and salaries	7,064,827	9,967,993
Social security costs	278,412	545,218
Other pension costs	<u>(261)</u>	<u>1,430</u>
	<u>7,342,978</u>	<u>10,514,641</u>

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

	2012	2011
Administration	20	67
Site	<u>950</u>	<u>951</u>
	<u>970</u>	<u>1,018</u>

5 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Hire of plant and machinery	51,860	85,841
Other operating leases	77,656	121,425
Depreciation - owned assets	119,131	103,790
Depreciation - assets on hire purchase contracts	93,961	96,982
(Profit)/loss on disposal of fixed assets	<u>(7,111)</u>	<u>724</u>
Goodwill amortisation	58,051	139,984
Auditors' remuneration	16,360	20,135
Auditors' remuneration for non audit work	23,107	5,404
Government grants receivable	-	(20,000)
Redundancy pay	-	24,595
Depreciation written back	<u>(12,826)</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

5 OPERATING PROFIT - continued

Directors' remuneration	<u>51,161</u>	<u>136,365</u>
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Auditor's remuneration above includes £2,800 (2011 £2,800) in respect of the parent and the group accounts
 The balance is in respect of the audit of the subsidiaries

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Bank interest	5,030	14,734
Bank loan interest	31,148	2,723
Other interest payable	-	54,543
Factoring interest	25,270	45,854
Loan interest	-	6,341
Hire purchase interest	23,532	27,189
	<u>84,980</u>	<u>151,384</u>

7 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2012	2011
	£	£
Current tax		
UK corporation tax	37,126	87,616
Adjustments in respect of previous years	-	(8,583)
Total current tax	<u>37,126</u>	<u>79,033</u>
Deferred tax	<u>12,159</u>	<u>14,286</u>
Tax on profit on ordinary activities	<u>49,285</u>	<u>93,319</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

7 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>276,591</u>	<u>1,632,147</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011 - 28%)	71,914	457,001
Effects of		
Expenses not deductible for tax purposes	14,919	25,287
Capital allowances in excess of depreciation	(13,425)	(11,943)
Utilisation of tax losses	(47,896)	(5,616)
Adjustments to tax charge in respect of previous periods	-	(8,584)
Goodwill written off not allowable for tax relief	14,053	19,979
Gain on disposal of subsidiary not taxable	-	(422,598)
Disposal of minority interest in subsidiary not taxable	-	(40,213)
Tax losses carried forward	-	65,720
Assessed at lower rate of tax	(1,831)	-
Marginal rate tax relief	(608)	-
Current tax charge	<u>37,126</u>	<u>79,033</u>

8 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £133,122 (2011 - £1,818,393)

9 DIVIDENDS

	2012 £	2011 £
Interim	<u>300,000</u>	<u>500,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

10 INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 May 2011	
and 30 April 2012	<u>1,159,063</u>
AMORTISATION	
At 1 May 2011	208,381
Amortisation for year	<u>58,051</u>
At 30 April 2012	<u>266,432</u>
NET BOOK VALUE	
At 30 April 2012	<u>892,631</u>
At 30 April 2011	<u>950,682</u>

11 TANGIBLE FIXED ASSETS

Group	Freehold property £	Asset in course of construction £	CCTV equipment £	Plant and machinery £
COST				
At 1 May 2011	1,050,985	-	211,374	222,900
Additions	1,008,006	1,525,217	105,661	80,079
Disposals	-	-	(32,500)	-
Reclassification/transfer	-	244,392	181,045	(181,045)
At 30 April 2012	<u>2,058,991</u>	<u>1,769,609</u>	<u>465,580</u>	<u>121,934</u>
DEPRECIATION				
At 1 May 2011	-	-	49,609	45,284
Charge for year	-	-	51,199	28,203
Eliminated on disposal	-	-	(4,856)	-
Charge written back	-	-	(12,826)	-
Reclassification/transfer	-	-	39,582	(39,582)
At 30 April 2012	<u>-</u>	<u>-</u>	<u>122,708</u>	<u>33,905</u>
NET BOOK VALUE				
At 30 April 2012	<u>2,058,991</u>	<u>1,769,609</u>	<u>342,872</u>	<u>88,029</u>
At 30 April 2011	<u>1,050,985</u>	<u>-</u>	<u>161,765</u>	<u>177,616</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

11 TANGIBLE FIXED ASSETS - continued

Group

	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 May 2011	157,103	341,507	18,823	2,002,692
Additions	183,004	91,538	31,855	3,025,360
Disposals	(478)	(90,716)	-	(123,694)
Reclassification/transfer	-	-	-	244,392
At 30 April 2012	339,629	342,329	50,678	5,148,750
DEPRECIATION				
At 1 May 2011	45,917	90,624	6,756	238,190
Charge for year	45,891	80,009	7,790	213,092
Eliminated on disposal	(30)	(25,358)	-	(30,244)
Charge written back	-	-	-	(12,826)
Reclassification/transfer	-	-	-	-
At 30 April 2012	91,778	145,275	14,546	408,212
NET BOOK VALUE				
At 30 April 2012	247,851	197,054	36,132	4,740,538
At 30 April 2011	111,186	250,883	12,067	1,764,502

Fixed assets, included in the above which are held under hire purchase contracts are as follows

	CCTV equipment £	Plant and machinery £	Motor vehicles £	Office equipment £	Totals £
COST					
At 1 May 2011	6,882	22,900	267,259	11,296	308,337
Additions	141,650	-	46,013	-	187,663
Disposals	-	-	(20,255)	-	(20,255)
Transfer to ownership	(6,882)	-	(28,595)	(11,296)	(46,773)
Reclassification/transfer	22,900	(22,900)	-	-	-
At 30 April 2012	164,550	-	264,422	-	428,972
DEPRECIATION					
At 1 May 2011	3,020	7,633	55,597	2,919	69,169
Charge for year	22,454	-	71,507	-	93,961
Eliminated on disposal	-	-	(7,596)	-	(7,596)
Transfer to ownership	(6,591)	-	(17,651)	(2,919)	(27,161)
Reclassification/transfer	7,633	(7,633)	-	-	-
At 30 April 2012	26,516	-	101,857	-	128,373
NET BOOK VALUE					
At 30 April 2012	138,034	-	162,565	-	300,599
At 30 April 2011	3,862	15,267	211,662	8,377	239,168

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

11 TANGIBLE FIXED ASSETS - continued

Company

	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 May 2011	565	181,694	8,238	190,497
Additions	-	28,280	1,988	30,268
Disposals	-	(81,290)	-	(81,290)
	<u>565</u>	<u>128,684</u>	<u>10,226</u>	<u>139,475</u>
At 30 April 2012	565	128,684	10,226	139,475
DEPRECIATION				
At 1 May 2011	59	35,836	1,833	37,728
Charge for year	141	40,044	2,255	42,440
Eliminated on disposal	-	(16,900)	-	(16,900)
	<u>200</u>	<u>58,980</u>	<u>4,088</u>	<u>63,268</u>
At 30 April 2012	200	58,980	4,088	63,268
NET BOOK VALUE				
At 30 April 2012	<u>365</u>	<u>69,704</u>	<u>6,138</u>	<u>76,207</u>
At 30 April 2011	<u>506</u>	<u>145,858</u>	<u>6,405</u>	<u>152,769</u>

Fixed assets included in the above, which are held under hire purchase contracts are as follows

	Motor vehicles £
COST	
At 1 May 2011	157,494
Disposals	(20,255)
Transfer to ownership	(8,555)
	<u>128,684</u>
At 30 April 2012	128,684
DEPRECIATION	
At 1 May 2011	32,811
Charge for year	36,082
Eliminated on disposal	(7,596)
Transfer to ownership	(2,317)
	<u>58,980</u>
At 30 April 2012	58,980
NET BOOK VALUE	
At 30 April 2012	<u>69,704</u>
At 30 April 2011	<u>124,683</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

12 FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 May 2011	1,110,023
Additions	100
At 30 April 2012	<u>1,110,123</u>
NET BOOK VALUE	
At 30 April 2012	<u>1,110,123</u>
At 30 April 2011	<u>1,110,023</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

Phoenix Security UK Limited

Nature of business Security services (currently dormant)

	% holding	2012 £	2011 £
Class of shares			
Ordinary	100.00		
Aggregate capital and reserves		227,637	237,795
Loss for the year		<u>(10,157)</u>	<u>(28,301)</u>

Phoenix Eye Limited

Nature of business Security services

	% holding	2012 £	2011 £
Class of shares			
Ordinary	100.00		
Aggregate capital and reserves		614,989	380,399
Profit for the year		<u>234,590</u>	<u>364,093</u>

Education and Training Services (UK) Limited

Nature of business Training services

	% holding	2012 £	2011 £
Class of shares			
Ordinary	100.00		
Aggregate capital and reserves		271,398	307,200
Loss for the year		<u>(35,802)</u>	<u>(9,755)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

12 FIXED ASSET INVESTMENTS - continued

Professional Parking Control Limited

Nature of business Parking enforcement

	% holding	2012	2011
Class of shares		£	£
Ordinary £1	100.00		
Aggregate capital and reserves		10,999	10,332
Profit for the year		666	10,232

Danieli Property Investments Limited

Nature of business Property investment

	% holding	2012	2011
Class of shares		£	£
Ordinary £1	75.19		
Aggregate capital and reserves		242,094	521,119
Loss for the year		(23,417)	(8,281)

Leisuretime Pub Group Limited

Nature of business Holding company

	% holding	2012	2011
Class of shares		£	£
Ordinary £1	100.00		
Aggregate capital and reserves		1	1

Northridge Healthcare Limited

Nature of business Respite care services

	% holding	2012	2011
Class of shares		£	£
Ordinary £1	100.00		
Aggregate capital and reserves		(48,947)	(42,417)
Loss for the year		(6,530)	(42,517)

Leisuretime (Freehold) Limited

Nature of business Operation of public houses

	% holding	2012	2011
Class of shares		£	£
Ordinary	100.00		
Aggregate capital and reserves		(112,954)	(101,815)
Loss for the year		(11,139)	(101,816)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

12 FIXED ASSET INVESTMENTS - continued

Leisuretime (Leasehold) Limited

Nature of business Operation of public houses

	% holding	2012 £	2011 £
Class of shares	100 00		
Ordinary			
Aggregate capital and reserves		(153,049)	(129,069)
Loss for the year		(23,980)	(76,065)

Student Accommodation (UK) Limited

Nature of business Rental of student accommodation (dormant)

	% holding	2012 £
Class of shares	100 00	
Ordinary £1		
Aggregate capital and reserves		100

The company was incorporated on 8 June 2011 with £100 issued share capital

13 INVESTMENT PROPERTY

Group

	Total £
COST	
At 1 May 2011	645,000
Reclassification/transfer	(500,000)
At 30 April 2012	145,000
NET BOOK VALUE	
At 30 April 2012	145,000
At 30 April 2011	645,000

14 STOCKS

	Group	2011 £
	2012 £	
Consumables	45,834	16,170

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

15 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	1,253,492	1,070,529	-	-
Amounts owed by group undertakings	-	-	2,737,877	982,438
Other debtors	223,221	194,117	12,440	38,075
Corporation tax debtor	-	21,225	-	-
Deferred tax asset	-	-	9,034	3,560
Prepayments and accrued income	255,208	424,127	6,524	-
	<u>1,731,921</u>	<u>1,709,998</u>	<u>2,765,875</u>	<u>1,024,073</u>

Included in trade debtors are factored debts of £1,140,748 (2011: £1,063,408)

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts (see note 18)	1,250,253	586,005	34,785	26,791
Other loans (see note 18)	867,895	981,810	-	-
Hire purchase contracts (see note 19)	136,092	76,271	36,971	27,463
Trade creditors	254,983	239,640	54,369	24,545
Amounts owed to group undertakings	-	2	1,940,313	1,166,397
Corporation tax	37,126	-	5,418	-
Social security and other taxes	1,693,935	1,822,447	404,514	712,520
Other creditors	405,896	413,509	146,155	150,000
Amounts owed to group undertakings	-	(2)	-	-
Directors' current accounts	97,311	212,510	97,311	210,595
Accrued expenses	86,757	56,904	2,800	18,512
	<u>4,830,248</u>	<u>4,389,096</u>	<u>2,722,636</u>	<u>2,336,823</u>

17 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans (see note 18)	765,496	4,091	-	-
Hire purchase contracts (see note 19)	70,195	117,437	17,008	70,568
Other creditors	-	9,825	-	-
	<u>835,691</u>	<u>131,353</u>	<u>17,008</u>	<u>70,568</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

18 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Amounts falling due within one year or on demand				
Bank overdrafts	269,474	-	34,785	26,791
Bank loans	980,779	586,005	-	-
Debt factoring liability	867,895	881,643	-	-
Brewery loan	-	100,167	-	-
	<u>2,118,148</u>	<u>1,567,815</u>	<u>34,785</u>	<u>26,791</u>
Amounts falling due between one and two years				
Bank loans - 1-2 years	<u>63,373</u>	<u>4,091</u>	<u>-</u>	<u>-</u>
Amounts falling due between two and five years				
Bank loans - 2-5 years	<u>190,118</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due in more than five years				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>512,005</u>	<u>-</u>	<u>-</u>	<u>-</u>

19 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2012	2011
	£	£
Gross obligations repayable		
Within one year	161,042	98,593
Between one and five years	<u>82,366</u>	<u>135,220</u>
	<u>243,408</u>	<u>233,813</u>
Finance charges repayable		
Within one year	24,950	22,322
Between one and five years	<u>12,171</u>	<u>17,783</u>
	<u>37,121</u>	<u>40,105</u>
Net obligations repayable		
Within one year	136,092	76,271
Between one and five years	<u>70,195</u>	<u>117,437</u>
	<u>206,287</u>	<u>193,708</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

19 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

Company

	Hire purchase contracts	
	2012	2011
	£	£
Gross obligations repayable		
Within one year	45,055	38,670
Between one and five years	20,844	80,386
	<u>65,899</u>	<u>119,056</u>
Finance charges repayable		
Within one year	8,084	11,207
Between one and five years	3,836	9,818
	<u>11,920</u>	<u>21,025</u>
Net obligations repayable		
Within one year	36,971	27,463
Between one and five years	17,008	70,568
	<u>53,979</u>	<u>98,031</u>

The following operating lease payments are committed to be paid within one year

Group

	Land and buildings		Other operating leases	
	2012	2011	2012	2011
	£	£	£	£
Expiring				
Within one year	5,333	-	8,740	5,065
Between one and five years	-	32,000	11,945	32,545
	<u>5,333</u>	<u>32,000</u>	<u>20,685</u>	<u>37,610</u>

Company

	Land and buildings	
	2012	2011
	£	£
Expiring		
Within one year	5,333	-
Between one and five years	-	32,000
	<u>5,333</u>	<u>32,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

20 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank overdrafts	269,474	-	34,785	26,791
Bank loans	1,746,275	590,096	-	-
Debt factoring liability	867,895	881,643	-	-
Hire purchase contracts	206,287	193,708	53,979	98,031
	<u>3,089,931</u>	<u>1,665,447</u>	<u>88,764</u>	<u>124,822</u>

The bank loans relating to the company's properties are secured on those properties. Other bank loans are secured by a debenture on certain assets.

The debt factoring liability is secured by way of a debenture on certain assets.

The hire purchase liabilities are secured on the assets being financed.

The directors have also provided personal guarantees for the group's banking facilities.

21 PROVISIONS FOR LIABILITIES

	Group	
	2012	2011
	£	£
Deferred tax		
Accelerated capital allowances	48,059	28,756
Tax losses carried forward	(7,144)	-
	<u>40,915</u>	<u>28,756</u>
Group		
		Deferred tax
		£
Balance at 1 May 2011		28,756
Charge/(credit) to profit and loss account		12,159
Balance at 30 April 2012		<u>40,915</u>
Company		
		Deferred tax
		£
Balance at 1 May 2011		(3,560)
Charge/(credit) to profit and loss account		(5,474)
Balance at 30 April 2012		<u>(9,034)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

22 MINORITY INTERESTS

The minority interest represents a 24.81% holding in the equity share capital of Danieli Property Investments Limited

23 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid
Number Class

		Nominal value £1	2012 £	2011 £
1,000	Ordinary		<u>1,000</u>	<u>1,000</u>

24 RESERVES

Group

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 May 2011	1,795,723	255,608	2,051,331
Profit for the year	233,116		233,116
Dividends	(300,000)		(300,000)
Revaluation in year	-	(255,608)	(255,608)
At 30 April 2012	<u>1,728,839</u>	<u>-</u>	<u>1,728,839</u>

Company

	Profit and loss account £
At 1 May 2011	1,378,474
Profit for the year	133,122
Dividends	(300,000)
At 30 April 2012	<u>1,211,596</u>

25 CAPITAL COMMITMENTS

	2012 £	2011 £
Contracted but not provided for in the financial statements	<u>1,796,526</u>	<u>559,144</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

26 TRANSACTIONS WITH DIRECTORS

The following loan to directors subsisted during the years ended 30 April 2012 and 30 April 2011

	2012 £	2011 £
N A Winch		
Balance outstanding at start of year	-	-
Amounts advanced	160,780	-
Amounts repaid	(160,780)	-
Balance outstanding at end of year	-	-

Interest amounting to £3,516 (2011 £Nil) has been charged on the above loan at the official HMRC rate of interest

27 RELATED PARTY DISCLOSURES

The company's bank facilities are within a group facility which is secured by personal guarantees of £75 000 each given by S W Howe and N A Winch, directors of the company

N A Winch

Director

Dividends paid £120,000 (2011 £150,000)

	2012 £	2011 £
Amount due to related party at the balance sheet date	1,140	5,865

S W Howe

Director

Dividends paid £120,000 (2011 £200,000)

	2012 £	2011 £
Amount due to related party at the balance sheet date	96,171	206,645

J M Winch

Wife of director

Dividends paid £30,000 (2011 £50,000)

	2012 £	2011 £
Amount due to related party at the balance sheet date	59,126	50,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2012

27 RELATED PARTY DISCLOSURES - continued

C Howe
Wife of director

Dividends paid £30,000 (2011 £50,000)

	2012	2011
	£	£
Amount due to related party at the balance sheet date	<u>82,814</u>	<u>50,000</u>

R E Winch
Mother of director (now deceased)

Dividends paid £Nil (2011 £50,000)

	2012	2011
	£	£
Amount due to related party at the balance sheet date	<u>-</u>	<u>50,000</u>

28 ULTIMATE CONTROLLING PARTY

The company is under the joint control of S W Howe and N A Winch, directors of the company

29 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2012	2011
	£	£
Profit for the financial year	233,116	1,540,883
Dividends	(300,000)	(500,000)
	<u>(66,884)</u>	<u>1,040,883</u>
Other recognised gains and losses relating to the year (net)	<u>(255,608)</u>	<u>255,608</u>
Net (reduction)/addition to shareholders' funds	(322,492)	1,296,491
Opening shareholders' funds	<u>2,052,331</u>	<u>755,840</u>
Closing shareholders' funds	<u>1,729,839</u>	<u>2,052,331</u>

Company

	2012	2011
	£	£
Profit for the financial year	133,122	1,818,393
Dividends	(300,000)	(500,000)
	<u>(166,878)</u>	<u>1,318,393</u>
Net (reduction)/addition to shareholders' funds	1,379,474	61,081
Opening shareholders' funds	<u>1,212,596</u>	<u>1,379,474</u>
Closing shareholders' funds	<u>1,212,596</u>	<u>1,379,474</u>