

REGISTERED NUMBER 07097156 (England and Wales)

REPORT OF THE DIRECTOR AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2013  
FOR  
ABBOTS 380 LIMITED



**ABBOTS 380 LIMITED (REGISTERED NUMBER 07097156)**

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FOR THE YEAR ENDED 31 JULY 2013**

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**ABBOTS 380 LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 JULY 2013**

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<b>DIRECTOR</b>	P Parra
<b>REGISTERED OFFICE</b>	Kit Lane Checkendon Oxfordshire RG8 0TY
<b>REGISTERED NUMBER</b>	07097156 (England and Wales)
<b>AUDITORS</b>	Choice Accountants Limited, Statutory Auditor Chartered Certified Accountants Indigo House Mulberry Business Park Fishponds Road Wokingham Berkshire RG41 2GY

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 JULY 2013**

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The director presents his report with the financial statements of the company and the group for the year ended 31 July 2013

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of design and supply of exhibition stands and related products within Europe, America and the rest of the World

**REVIEW OF BUSINESS**

2013 was the first year that includes the results of all of the subsidiary companies for the full period following the acquisition completed in 2012. The group's main KPIs are gross profit margin and profit after tax. The GP margin has remained at the targeted level of 29.3% in 2013 (2012: 30.8%). However, profit after tax has fallen slightly in 2013 to £371,629 (2012: £554,852). The main reason for this fall is due to the increase in staff numbers and the associated costs in 2013.

The directors are pleased with the progress of the group during the year, especially the US subsidiary which has made a profit for the first time this year following its first full year within the group.

The directors expect the business to continue to strengthen and remain profitable in 2014.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 July 2013.

**FUTURE DEVELOPMENTS**

Since the year end the group has decided to relocate its main offices to a new location within the Thames Valley. Due to the office relocation in 2014 the group does not intend to undertake any further new developments during the year.

**DIRECTORS**

P Parra has held office during the whole of the period from 1 August 2012 to the date of this report.

Other changes in directors holding office are as follows:

N D Byfield - resigned 12 April 2013.

**FINANCIAL INSTRUMENTS**

The group operates on a day to day basis with working capital facilities including cash and hire purchase facilities. The group does not utilise any long or short term debt instruments. The group and company does not use financial instruments in its day to day operations or financing.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The group and company are exposed to a variety of risks arising from both industry and macro economic factors. Particular risks include pressure from competitors, foreign exchange and currency movements. The management team meet on a regular basis to review these risks and have developed strategies to mitigate them wherever possible.

The board monitors the group and company's performance through regular information and management reports. The key performance indicators (KPIs) include levels of turnover, staff utilisation and the recovery of time on individual contracts. Comprehensive management reports are prepared and monitored in line with a financial plan that is set at the start of the year. On a day to day basis this means a relentless focus on outstanding client service and quality in everything that is delivered.

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 JULY 2013**

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**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law, the director has 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 director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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 company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

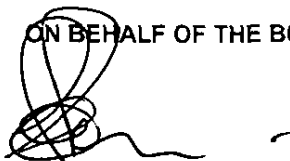
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is 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 he 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, Choice Accountants Limited, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD**



P Parra - Director

29 April 2014

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ABBOTS 380 LIMITED**

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We have audited the financial statements of Abbots 380 Limited for the year ended 31 July 2013 on pages six to twenty 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 director and auditors**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director 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 31 July 2013 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 Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ABBOTS 380 LIMITED**

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**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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Mr Benjamin Loveday FCCA (Senior Statutory Auditor)  
for and on behalf of Choice Accountants Limited, Statutory Auditor  
Chartered Certified Accountants  
Indigo House  
Mulberry Business Park  
Fishponds Road  
Wokingham  
Berkshire  
RG41 2GY

29 April 2014

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2013**

	Notes	2013 £	2012 £
<b>TURNOVER</b>	2	10,860,440	10,382,133
Cost of sales		7,683,195	7,186,212
<b>GROSS PROFIT</b>		3,177,245	3,195,921
Administrative expenses		2,608,217	2,288,299
<b>OPERATING PROFIT</b>	4	569,028	907,622
Income from interest in associated undertakings		-	(36,929)
Interest receivable and similar income		4,554	3,589
		4,554	(33,340)
		573,582	874,282
Interest payable and similar charges	5	6,168	3,698
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		567,414	870,584
Tax on profit on ordinary activities	6	195,785	315,732
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		371,629	554,852
Minority interest - equity		89,717	83,665
<b>RETAINED PROFIT FOR THE GROUP CARRIED FORWARD</b>		281,912	471,187

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the profits for the current year or previous year

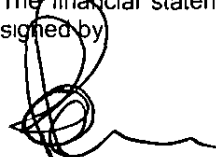
The notes form part of these financial statements



**CONSOLIDATED BALANCE SHEET**  
**31 JULY 2013**

		2013		2012	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	8		2,732,863		3,121,461
Tangible assets	9		185,986		156,921
Investments	10		-		-
			<u>2,918,849</u>		<u>3,278,382</u>
<b>CURRENT ASSETS</b>					
Stocks	11	79,347		68,616	
Debtors	12	1,811,462		1,415,499	
Cash at bank and in hand		686,428		478,586	
		<u>2,577,237</u>		<u>1,962,701</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	1,609,044		1,709,932	
<b>NET CURRENT ASSETS</b>			<u>968,193</u>		<u>252,769</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,887,042</u>		<u>3,531,151</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		(27,526)		(46,157)
<b>PROVISIONS FOR LIABILITIES</b>	16		(12,241)		(4,097)
<b>MINORITY INTERESTS</b>	17		(11,163)		75,981
<b>NET ASSETS</b>			<u>3,836,112</u>		<u>3,556,878</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		50,030		50,030
Share premium	19		2,969,970		2,969,970
Other reserves	19		(5,182)		(2,504)
Profit and loss account	19		821,294		539,382
<b>SHAREHOLDERS' FUNDS</b>	22		<u>3,836,112</u>		<u>3,556,878</u>

The financial statements were approved and authorised for issue by the director on 29 April 2014 and were signed by



P Parra - Director

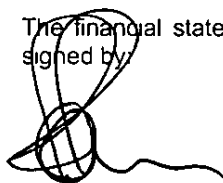
The notes form part of these financial statements

**ABBOTS 380 LIMITED (REGISTERED NUMBER 07097156)**

**COMPANY BALANCE SHEET**  
**31 JULY 2013**

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Intangible assets	8	-	-
Tangible assets	9	-	-
Investments	10	5,500,000	5,500,000
		<u>5,500,000</u>	<u>5,500,000</u>
<b>CURRENT ASSETS</b>			
Debtors	12	524,836	20,000
<b>CREDITORS</b>			
Amounts falling due within one year	13	504,836	180,000
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>20,000</u>	<u>(160,000)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,520,000</u>	<u>5,340,000</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	50,030	50,030
Share premium	19	2,969,970	2,969,970
Profit and loss account	19	2,500,000	2,320,000
<b>SHAREHOLDERS' FUNDS</b>	22	<u>5,520,000</u>	<u>5,340,000</u>

The financial statements were approved and authorised for issue by the director on 29 April 2014 and were signed by



P Parra - Director

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2013**

		2013		2012	
	Notes	£	£	£	£
<b>Net cash inflow from operating activities</b>	1		1,184,528		968,937
<b>Returns on investments and servicing of finance</b>	2		(1,614)		(37,038)
<b>Taxation</b>			(298,613)		(146,735)
<b>Capital expenditure</b>	2		(66,646)		(77,502)
<b>Acquisitions and disposals</b>	2		-		(126,782)
			<u>817,655</u>		<u>580,880</u>
<b>Financing</b>	2		(609,813)		(511,224)
<b>Increase in cash in the period</b>			<u>207,842</u>		<u>69,656</u>
<b>Reconciliation of net cash flow to movement in net funds</b>	3				
Increase in cash in the period		207,842		69,656	
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		<u>25,801</u>		<u>(48,284)</u>	
Change in net funds resulting from cash flows			<u>233,643</u>		<u>21,372</u>
<b>Movement in net funds in the period</b>			<u>233,643</u>		<u>21,372</u>
<b>Net funds at 1 August</b>			<u>399,330</u>		<u>377,958</u>
<b>Net funds at 31 July</b>			<u>632,973</u>		<u>399,330</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2013**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2013	2012
	£	£
Operating profit	569,028	907,622
Depreciation charges	426,672	427,948
Profit on disposal of fixed assets	-	(300)
MI on net liabilities at acquisition	-	(159,646)
Foreign exchange on MI	(2,573)	-
Deferred tax movement	-	(9,545)
Foreign exchange on consolidation	(3,171)	(2,504)
Increase in stocks	(10,731)	(17,023)
Decrease/(increase) in debtors	7,906	(637,626)
Increase in creditors	197,397	460,011
<b>Net cash inflow from operating activities</b>	<b>1,184,528</b>	<b>968,937</b>

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

	2013	2012
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	4,554	3,589
Interest element of hire purchase payments	(6,168)	(3,698)
Income from interest in associate	-	(36,929)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(1,614)</b>	<b>(37,038)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(66,646)	(77,802)
Sale of tangible fixed assets	-	300
<b>Net cash outflow for capital expenditure</b>	<b>(66,646)</b>	<b>(77,502)</b>
<b>Acquisitions and disposals</b>		
Net liabilities acquired on purchase of subsidiary	-	(126,782)
<b>Net cash outflow for acquisitions and disposals</b>	<b>-</b>	<b>(126,782)</b>
<b>Financing</b>		
Capital repayments in year	(25,801)	-
Amount withdrawn by directors	(584,012)	(559,508)
New HP agreements in the year	-	48,284
<b>Net cash outflow from financing</b>	<b>(609,813)</b>	<b>(511,224)</b>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2013

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3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 8 12 £	Cash flow £	At 31 7 13 £
Net cash			
Cash at bank and in hand	<u>478,586</u>	<u>207,842</u>	<u>686,428</u>
	<u>478,586</u>	<u>207,842</u>	<u>686,428</u>
Debt			
Hire purchase	<u>(79,256)</u>	<u>25,801</u>	<u>(53,455)</u>
	<u>(79,256)</u>	<u>25,801</u>	<u>(53,455)</u>
Total	<u>399,330</u>	<u>233,643</u>	<u>632,973</u>

The notes form part of these financial statements

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2013

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1 ACCOUNTING POLICIES

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Turnover**

Turnover represents invoiced amounts excluding Value Added Tax (VAT) and trade discounts

In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates of amounts invoiced. Turnover in respect of long-term contracts and contracts for ongoing services is recognised by reference to the stage of completion

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of ten years

**Tangible fixed assets**

Tangible fixed assets are recorded at historical cost less accumulated depreciation. Cost comprises the purchase price and any costs directly attributable to bringing the asset to its working condition and location for its intended use. Depreciation is provided at the following annual rates in order to write down the cost of each asset to its estimated residual value over its estimated useful life

Land and buildings - 15%

Plant and machinery etc - 20%

**Stocks**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

**Deferred tax**

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events had occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement are sold

Deferred tax assets are recognised only to the extent that the director considers that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2013**

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**1 ACCOUNTING POLICIES - continued**

**Foreign currencies**

**(a) Functional and presentational currency**

In the group's financial statements, all assets, liabilities and transactions of the group's entities are translated into sterling (the functional currency of the parent company). Average exchange rates are used to translate the income and expenses of all subsidiaries that have a functional currency other than sterling where there has been no significant fluctuation in the rate. The balance sheets of such entities are translated at period end exchange rates. All resulting exchange differences are recognised as a separate component of equity. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recognised in equity.

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account. All other foreign exchange gains and losses are presented in the profit and loss account within 'administrative expenses'.

Fixed assets are measured at historical cost and translated using the exchange rates at the date of transaction (not retranslated).

**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.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all its liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2013**2 TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group

An analysis of turnover by geographical market is given below

	2013 £	2012 £
United Kingdom	1,465,655	2,082,224
Europe	7,069,939	5,258,704
USA and South America	1,798,059	1,831,241
Asia and ROW	369,891	692,537
Middle East	156,896	517,427
	<u>10,860,440</u>	<u>10,382,133</u>

**3 STAFF COSTS**

	2013 £	2012 £
Wages and salaries	1,434,583	1,228,165
Social security costs	159,366	141,004
	<u>1,593,949</u>	<u>1,369,169</u>

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

	2013	2012
Sales	3	3
Design & project management	21	17
Warehouse	3	3
Administrative	4	4
	<u>31</u>	<u>27</u>

**4 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2013 £	2012 £
Hire of plant and machinery	37,295	39,935
Other operating leases	137,094	116,586
Depreciation - owned assets	13,182	22,744
Depreciation - assets on hire purchase contracts	24,892	16,606
Profit on disposal of fixed assets	-	(300)
Goodwill amortisation	388,598	388,598
Auditors' remuneration	9,000	9,000
All other services	3,851	3,431
Foreign exchange differences	31,993	11,224
	<u>605,812</u>	<u>615,124</u>
Directors' remuneration	<u>105,000</u>	<u>100,000</u>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2013**

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

	2013	2012
	£	£
Hire purchase	<u>6,168</u>	<u>3,698</u>

**6 TAXATION****Analysis of the tax charge**

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

	2013	2012
	£	£
Current tax		
UK corporation tax	189,852	300,824
(Overprovision) / Underprovision in prior year	<u>(2,211)</u>	<u>1,266</u>
Total current tax	187,641	302,090
Deferred tax	<u>8,144</u>	<u>13,642</u>
Tax on profit on ordinary activities	<u>195,785</u>	<u>315,732</u>

**Factors affecting the tax charge**

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

	2013	2012
	£	£
Profit on ordinary activities before tax	<u>567,414</u>	<u>870,584</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.666% (2012 - 25.333%)	134,284	220,545
Effects of		
Expenses not deductible for tax purposes	15,906	19,159
Income not taxable for tax purposes	-	(76)
Capital allowances in excess of depreciation	(8,379)	(3,352)
Share of loss of associate on consolidation	-	9,355
Subsidiary share of profits utilised against tax losses	(10,335)	(3,003)
Subsidiary bad debt eliminated on consolidation	(32,996)	(40,252)
Amortisation charge on consolidation	91,966	98,444
Intercompany difference written off on consolidation	(590)	-
Overprovision of tax in prior year	(2,211)	1,266
Sundry differences due to effective rate not actual	<u>(4)</u>	<u>4</u>
Current tax charge	<u>187,641</u>	<u>302,090</u>

**7 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 £180,000 (2012 - £550,000)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2013

## 8 INTANGIBLE FIXED ASSETS

## Group

Goodwill  
£

## COST

At 1 August 2012  
and 31 July 20133,885,979

## AMORTISATION

At 1 August 2012  
Amortisation for year764,518  
388,598

At 31 July 2013

1,153,116

## NET BOOK VALUE

At 31 July 2013

2,732,863

At 31 July 2012

3,121,461

## 9 TANGIBLE FIXED ASSETS

## Group

Long  
leasehold  
£Plant and  
machinery  
£Motor  
vehicles  
£Totals  
£

## COST

At 1 August 2012

200,229

647,238

246,432

1,093,899

Additions

-

43,290

23,356

66,646

Exchange differences

-

297

272

569

At 31 July 2013

200,229690,825270,0601,161,114

## DEPRECIATION

At 1 August 2012

170,571

633,506

132,901

936,978

Charge for year

-

7,619

30,455

38,074

Exchange differences

-

76

-

76

At 31 July 2013

170,571641,201163,356975,128

## NET BOOK VALUE

At 31 July 2013

29,65849,624106,704185,986

At 31 July 2012

29,65813,732113,531156,921

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2013

## 9 TANGIBLE FIXED ASSETS - continued

## Group

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

	Motor vehicles £
<b>COST</b>	
At 1 August 2012	115,999
Additions	11,408
At 31 July 2013	127,407
<b>DEPRECIATION</b>	
At 1 August 2012	23,636
Charge for year	24,892
At 31 July 2013	48,528
<b>NET BOOK VALUE</b>	
At 31 July 2013	78,879
At 31 July 2012	92,363

## 10 FIXED ASSET INVESTMENTS

## Company

	Shares in group undertakings £
<b>COST</b>	
At 1 August 2012 and 31 July 2013	5,500,000
<b>NET BOOK VALUE</b>	
At 31 July 2013	5,500,000
At 31 July 2012	5,500,000

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

## Subsidiaries

## 2 Heads Global Design Limited

Nature of business Design and supply of exhibition stands

Class of shares	% holding
Ordinary £1 shares	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2013

## 10 FIXED ASSET INVESTMENTS - continued

**2Heads Design Inc**

Country of incorporation United States of America

Nature of business Design and supply of exhibition stands

Class of shares	%
Common stock	holding 51 00

## 11 STOCKS

	Group	
	2013	2012
	£	£
Work-in-progress	<u>79,347</u>	<u>68,616</u>

## 12 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	1,055,528	1,294,651	-	-
Amounts owed by group undertakings	-	25,290	-	-
Other debtors	178,927	46,420	100,967	-
Directors' loan accounts	403,869	-	403,869	-
VAT	96,067	-	-	-
Called up share capital not paid	20,000	20,000	20,000	20,000
Prepayments and accrued income	57,071	29,138	-	-
	<u>1,811,462</u>	<u>1,415,499</u>	<u>524,836</u>	<u>20,000</u>

## 13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Hire purchase contracts (see note 15)	25,929	33,099	-	-
Trade creditors	608,165	487,336	-	-
Amounts owed to group undertakings	-	-	403,869	-
Tax	189,852	300,824	-	-
Social security and other taxes	46,858	53,740	-	-
VAT	-	120,167	-	-
Other creditors	130,372	32,065	100,967	-
Directors' loan accounts	-	180,143	-	180,000
Accruals and deferred income	607,868	502,558	-	-
	<u>1,609,044</u>	<u>1,709,932</u>	<u>504,836</u>	<u>180,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2013

## 14 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2013	2012
	£	£
Hire purchase contracts (see note 15)	<u>27,526</u>	<u>46,157</u>

## 15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

## Group

	Hire purchase contracts	
	2013	2012
	£	£
Net obligations repayable		
Within one year	25,929	33,099
Between one and five years	<u>27,526</u>	<u>46,157</u>
	<u>53,455</u>	<u>79,256</u>

## 16 PROVISIONS FOR LIABILITIES

	Group	
	2013	2012
	£	£
Deferred tax	<u>12,241</u>	<u>4,097</u>

## Group

	Deferred tax
	£
Balance at 1 August 2012	4,097
Provided during year	<u>8,144</u>
Balance at 31 July 2013	<u>12,241</u>

## 17 MINORITY INTERESTS

	Minority interests
	£
At beginning of the year	(75,981)
Profit/(loss) for the year	89,717
Foreign exchange movement	<u>(2,573)</u>
At end of the year	<u>11,163</u>

Included in the share capital of 2Heads Design Inc are 41,650 common stock shares owned by a minority interest, all rights rank pari passu with those shares held by the group

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2013

## 18 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	2013 £	2012 £
2,970,000	Preference	£0.01	<u>30</u>	<u>30</u>
Allotted and issued Number	Class	Nominal value	2013 £	2012 £
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

## 19 RESERVES

## Group

	Profit and loss account £	Share premium £	Other reserves £	Totals £
At 1 August 2012	539,382	2,969,970	(2,504)	3,506,848
Profit for the year	281,912			281,912
Movement during the year	-	-	(2,678)	(2,678)
At 31 July 2013	<u>821,294</u>	<u>2,969,970</u>	<u>(5,182)</u>	<u>3,786,082</u>

## Company

	Profit and loss account £	Share premium £	Totals £
At 1 August 2012	2,320,000	2,969,970	5,289,970
Profit for the year	180,000		180,000
At 31 July 2013	<u>2,500,000</u>	<u>2,969,970</u>	<u>5,469,970</u>

## 20 DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 July 2013 and 31 July 2012

	2013 £	2012 £
<b>P Parra</b>		
Balance outstanding at start of year	-	-
Amounts advanced	413,212	-
Amounts repaid	(9,343)	-
Balance outstanding at end of year	<u>403,869</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2013

21 RELATED PARTY DISCLOSURES

**P Parra**

A director of the company

Charged group members £109,920 for rent during the year

	2013 £	2012 £
Amount due to related party at the balance sheet date	-	180,143

No interest has been charged on the above loan

**2Heads FZ-LLC**

A company which is owned by Mr P Parra

The group paid expenses on behalf of 2Heads FZ-LLC during the year

	2013 £	2012 £
Amount due from related party at the balance sheet date	32,786	25,290

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

**Group**

	2013 £	2012 £
Profit for the financial year	281,912	471,187
Foreign exchange translation reserve	(2,678)	(2,504)
<b>Net addition to shareholders' funds</b>	<b>279,234</b>	<b>468,683</b>
Opening shareholders' funds	3,556,878	3,088,195
<b>Closing shareholders' funds</b>	<b>3,836,112</b>	<b>3,556,878</b>

**Company**

	2013 £	2012 £
Profit for the financial year	180,000	550,000
<b>Net addition to shareholders' funds</b>	<b>180,000</b>	<b>550,000</b>
Opening shareholders' funds	5,340,000	4,790,000
<b>Closing shareholders' funds</b>	<b>5,520,000</b>	<b>5,340,000</b>