

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

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SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

COMPANY INFORMATION

Directors	C B Willoughby S W Willoughby J H Howarth (appointed 20 July 2010) S C Clarke (appointed 20 July 2010)
Company secretary	C B Willoughby
Company number	856474
Registered office	85 High Road Chilwell Nottingham NG9 4AJ
Auditors	Cooper Parry LLP Chartered Accountants & Statutory Auditor 14 Park Row Nottingham NG1 6GR

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

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SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2011

The directors present their report and the financial statements for the year ended 31 March 2011

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the group during the year was that of the sale of new and used motor vehicles and associated activities. The group also receives rental income on investment properties.

Business review

Total turnover for the group for the year ended 31 March 2011 amounted to £6.62m, a decrease of 4.7% on the prior year, attributed to the ending of the Government's scrappage scheme which helped support new car sale demand in the prior year.

The continued stability of used car values, after the turbulence seen at the start of recession contributed to an improvement in margin, which has increased from 7.22% in 2010 to 7.48% in 2011. Measures were taken to ensure that the company was well placed to see the recession through by reducing the cost base as far as possible whilst leaving sufficient spare capacity to enable us to react quickly to any upturn, resulting in the company making a profit before tax of £75,619.

In May 2011, the company has sold all of the trade and certain assets relating to the new and used motor vehicle business, and discontinued this activity. Going forward the principal activity of the company will be to generate rental income from its commercial and residential property locations.

Results and dividends

The profit for the year, after taxation, amounted to £75,485 (2010 - loss £28,890).

Dividends of £77,070 (2009: £101,100) have been paid during the year.

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2011**

Directors

The directors who served during the year were

C B Willoughby
S W Willoughby
J H Howarth (appointed 20 July 2010)
S C Clarke (appointed 20 July 2010)

Provision of information to auditors

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

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

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



S W Willoughby
Director

Date 7 NOVEMBER 2011

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

We have audited the financial statements of Sandwood Securities Limited T/A Willoughby Group for the year ended 31 March 2011, set out on pages 5 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2011 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWOOD SECURITIES LIMITED T/A
WILLOUGHBY GROUP**

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



Daniel Parker (Senior statutory auditor)

for and on behalf of
Cooper Parry LLP

Chartered Accountants
Statutory Auditor

Nottingham

7 November 2011

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011**

	Note	2011 £	2010 £
Turnover	1,2		
Continuing operations		207,500	198,488
Discontinued operations		6,410,921	6,753,454
		<u>6,618,421</u>	<u>6,951,942</u>
Cost of sales		<u>(6,123,120)</u>	<u>(6,449,322)</u>
Gross profit		495,301	502,620
Administrative expenses		<u>(420,321)</u>	<u>(437,173)</u>
Operating profit	3		
Continuing operations		139,274	70,778
Discontinued operations		<u>(64,294)</u>	<u>(5,331)</u>
		74,980	65,447
Interest receivable and similar income		639	14,120
Interest payable and similar charges	6	<u>-</u>	<u>(8,190)</u>
Profit on ordinary activities before taxation		75,619	71,377
Tax on profit on ordinary activities	7	<u>(134)</u>	<u>(100,267)</u>
Profit/(loss) for the financial year	18	<u><u>75,485</u></u>	<u><u>(28,890)</u></u>

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

The notes on pages 9 to 19 form part of these financial statements

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP
REGISTERED NUMBER: 856474

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Intangible assets	8		443,903		514,595
Tangible assets	9		589,565		609,903
Investment property	10		1,198,390		1,198,390
			<u>2,231,858</u>		<u>2,322,888</u>
Current assets					
Stocks	13	731,009		875,116	
Debtors	14	142,261		190,563	
Cash at bank		695,834		742,439	
		<u>1,569,104</u>		<u>1,808,118</u>	
Creditors: amounts falling due within one year	15	(1,107,799)		(1,436,258)	
Net current assets			<u>461,305</u>		<u>371,860</u>
Total assets less current liabilities			<u>2,693,163</u>		<u>2,694,748</u>
Capital and reserves					
Called up share capital	17		33,193		33,193
Profit and loss account	18		2,659,970		2,661,555
Shareholders' funds	19		<u>2,693,163</u>		<u>2,694,748</u>

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


S W Willoughby
 Director

Date **7 NOVEMBER 2011**

The notes on pages 9 to 19 form part of these financial statements

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP
REGISTERED NUMBER: 856474

COMPANY BALANCE SHEET
AS AT 31 MARCH 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	9		589,565		609,903
Investment property	10		1,198,390		1,198,390
Investments	11		573,145		573,145
			<u>2,361,100</u>		<u>2,381,438</u>
Current assets					
Stocks	13	731,009		875,116	
Debtors	14	141,830		190,132	
Cash at bank		695,834		742,439	
		<u>1,568,673</u>		<u>1,807,687</u>	
Creditors' amounts falling due within one year	15	(1,107,799)		(1,436,258)	
Net current assets			<u>460,874</u>		<u>371,429</u>
Total assets less current liabilities			<u>2,821,974</u>		<u>2,752,867</u>
Creditors: amounts falling due after more than one year	16		(574,623)		(574,623)
Net assets			<u><u>2,247,351</u></u>		<u><u>2,178,244</u></u>
Capital and Reserves					
Called up share capital	17		33,193		33,193
Profit and loss account	18		2,214,158		2,145,051
Shareholders' funds	19		<u><u>2,247,351</u></u>		<u><u>2,178,244</u></u>

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



S W Willoughby
Director

Date **7 NOVEMBER 2011**

The notes on pages 9 to 19 form part of these financial statements

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011**

	Note	2011 £	2010 £
Net cash flow from operating activities	21	226,830	(39,090)
Returns on investments and servicing of finance	22	639	5,930
Taxation		(92,142)	10,865
Capital expenditure and financial investment	22	(4,862)	(138,176)
Equity dividends paid		(77,070)	(101,100)
Cash inflow/(outflow) before financing		53,395	(261,571)
Financing	22	(100,000)	(100,000)
Decrease in cash in the year		(46,605)	(361,571)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MARCH 2011**

	2011 £	2010 £
Decrease in cash in the year	(46,605)	(361,571)
Cash outflow from decrease in debt and lease financing	100,000	100,000
Movement in net debt in the year	53,395	(261,571)
Net (debt)/funds at 1 April 2010	(257,561)	4,010
Net debt at 31 March 2011	(204,166)	(257,561)

The notes on pages 9 to 19 form part of these financial statements

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting Policies

1.1 Basis of preparation of financial statements

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

Post year end, the group sold all of the trade and certain assets relating to the new and used motor vehicle business. The turnover and expenses relating to this activity have been presented within discontinued operations

1.2 Basis of consolidation

The financial statements consolidate the accounts of Sandwood Securities Limited T/A Willoughby Group and all of its subsidiary undertakings ('subsidiaries')

1.3 Turnover

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

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life

Amortisation is provided at the following rates

Goodwill	-	10% Straight line
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1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2% straight line
Plant and machinery	-	20% to 50% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	20% to 50% straight line

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.7 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No 19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company and the group

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

1 Accounting Policies (continued)

1.8 Operating leases

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

Rentals received under operating leases are included in the financial statements on a straight line basis over the lease term

1.9 Stocks

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

Consignment stock is included in the balance sheet only where in substance it is an asset of the company such that the company has access to the benefits of holding stock and exposure to the risks and rewards of ownership as if it were owned outright

1.10 Deferred taxation

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

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.11 Pensions

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

2. Turnover

All turnover arose within the United Kingdom

The whole of turnover and profit before taxation from continuing activities is attributable to rental income relating to the group's investment properties

The turnover and profit before taxation from discontinued operations arose from the activity of new and used motor vehicle sales and associated activities, which was sold post year end

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

3. Operating profit

The operating profit is stated after charging

	2011	2010
	£	£
Amortisation - intangible fixed assets	70,692	70,692
Depreciation of tangible fixed assets		
- owned by the group	25,200	24,742
Auditors' remuneration	9,000	12,145
	<u> </u>	<u> </u>

Auditors fees for the company were £9,000 (2010 - £12,145)

4. Staff costs

Staff costs, including directors' remuneration, were as follows

	2011	2010
	£	£
Wages and salaries	338,175	348,184
Social security costs	28,670	30,682
Other pension costs	31,493	27,470
	<u> </u>	<u> </u>
	<u>398,338</u>	<u>406,336</u>

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

	2011	2010
	No	No.
Workshop and Parts	10	11
Sales	7	9
General	4	3
	<u> </u>	<u> </u>
	<u>21</u>	<u>23</u>

5. Directors' remuneration

	2011	2010
	£	£
Emoluments	28,579	25,743
	<u> </u>	<u> </u>
Company pension contributions to defined contribution pension schemes	20,700	13,500
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 4 directors (2010 - 2) in respect of defined contribution pension schemes

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

6. Interest payable

	2011	2010
	£	£
Other interest	<u>-</u>	<u>8,190</u>

7 Taxation

	2011	2010
	£	£
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	134	2,965
Adjustments in respect of prior periods	<u>-</u>	<u>97,302</u>
Tax on profit on ordinary activities	<u>134</u>	<u>100,267</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - higher than) the standard rate of corporation tax in the UK of 21% (2010 - 21%) The differences are explained below

	2011	2010
	£	£
Profit on ordinary activities before tax	<u>75,619</u>	<u>71,377</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2010 - 21%)	15,880	14,989
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	745	17,343
Capital allowances for year in excess of depreciation	3,346	6,562
Utilisation of tax losses	(21,349)	(35,929)
Adjustments to tax charge in respect of prior periods	-	97,302
Other timing differences leading to an increase (decrease) in taxation	<u>1,512</u>	<u>-</u>
Current tax charge for the year (see note above)	<u>134</u>	<u>100,267</u>

The adjustment to the tax charge in respect of prior periods in 2010 related to the settlement of a tax enquiry in respect of a March 1982 valuation of a property used in a capital gains calculation

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

8. Intangible fixed assets

	Goodwill £
Group	
Cost	
At 1 April 2010 and 31 March 2011	706,916
Amortisation	
At 1 April 2010	192,321
Charge for the year	70,692
At 31 March 2011	263,013
Net book value	
At 31 March 2011	443,903
At 31 March 2010	514,595

9. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Furniture, fittings and equipment £	Total £
Group				
Cost				
At 1 April 2010	707,851	364,618	120,195	1,192,664
Additions	-	2,131	2,731	4,862
At 31 March 2011	707,851	366,749	122,926	1,197,526
Depreciation				
At 1 April 2010	124,214	350,980	107,567	582,761
Charge for the year	9,853	6,177	9,170	25,200
At 31 March 2011	134,067	357,157	116,737	607,961
Net book value				
At 31 March 2011	573,784	9,592	6,189	589,565
At 31 March 2010	583,637	13,638	12,628	609,903

Included in land and buildings is land amounting to £250,000 (2010 £250,000) which is not depreciated

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

9 Tangible fixed assets (continued)

Company	Land and buildings £	Plant and machinery £	Furniture, fittings and equipment £	Total £
Cost				
At 1 April 2010	590,013	20,127	24,505	634,645
Additions	-	2,131	2,731	4,862
At 31 March 2011	<u>590,013</u>	<u>22,258</u>	<u>27,236</u>	<u>639,507</u>
Depreciation				
At 1 April 2010	6,376	6,489	11,877	24,742
Charge for the year	9,853	6,177	9,170	25,200
At 31 March 2011	<u>16,229</u>	<u>12,666</u>	<u>21,047</u>	<u>49,942</u>
Net book value				
At 31 March 2011	<u>573,784</u>	<u>9,592</u>	<u>6,189</u>	<u>589,565</u>
At 31 March 2010	<u>583,637</u>	<u>13,638</u>	<u>12,628</u>	<u>609,903</u>

10 Investment property

Group	Freehold investment property £
Valuation	
At 1 April 2010 and 31 March 2011	<u>1,198,390</u>

The property has been valued by the directors on an open market value for existing use basis

Company	Freehold investment property £
Valuation	
At 1 April 2010 and 31 March 2011	<u>1,198,390</u>

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

11. Fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 1 April 2010 and 31 March 2011	1,748,807
Impairment	
At 1 April 2010 and 31 March 2011	1,175,662
Net book value	
At 31 March 2011	573,145
At 31 March 2010	573,145

12 Principal subsidiaries

Company name	Country	Percentage shareholding	Description
Willoughby Garages Nottm Limited	England and Wales	100%	Dormant
Flightcroft Limited	England and Wales	100%	Dormant
F Nicholson Limited	England and Wales	100%	Dormant

13. Stocks

	2011 £	Group 2010 £	2011 £	Company 2010 £
Goods for resale	731,009	875,116	731,009	875,116

The total value of consignment stock not recognised on the balance sheet is £485,892 (2010 £550,836)

14. Debtors

	2011 £	Group 2010 £	2011 £	Company 2010 £
Trade debtors	120,593	121,679	120,593	121,679
Other debtors	13,924	60,260	13,493	59,829
Prepayments and accrued income	7,744	8,624	7,744	8,624
	142,261	190,563	141,830	190,132

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

**15 Creditors:
Amounts falling due within one year**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Other loans	900,000	1,000,000	900,000	1,000,000
Trade creditors	112,086	290,203	112,086	290,203
Corporation tax	134	90,465	134	90,465
Social security and other taxes	40,362	4,468	40,362	4,468
Accruals and deferred income	55,217	51,122	55,217	51,122
	<u>1,107,799</u>	<u>1,436,258</u>	<u>1,107,799</u>	<u>1,436,258</u>

**16 Creditors:
Amounts falling due after more than one year**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts owed to group undertakings	<u>-</u>	<u>-</u>	<u>574,623</u>	<u>574,623</u>

17. Share capital

	2011	2010
	£	£
Allotted, called up and fully paid		
17,926 A Ordinary shares of £1 each	17,926	17,926
3,817 B Ordinary shares of £1 each	3,817	3,817
3,817 C Ordinary shares of £1 each	3,817	3,817
3,817 D Ordinary shares of £1 each	3,817	3,817
3,816 E Ordinary shares of £1 each	3,816	3,816
	<u>33,193</u>	<u>33,193</u>

All shares rank par passu in respect of dividends and voting rights

18 Reserves

	Profit and loss account
	£
Group	
At 1 April 2010	2,661,555
Profit for the year	75,485
Dividends	(77,070)
Equity capital	
At 31 March 2011	<u>2,659,970</u>

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

18 Reserves (continued)

	Profit and loss account £
Company	
At 1 April 2010	2,145,051
Profit for the year	146,177
Dividends Equity capital	(77,070)
	<u>2,214,158</u>
At 31 March 2011	<u>2,214,158</u>

19 Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Group		
Opening shareholders' funds	2,694,748	2,824,738
Profit/(loss) for the year	75,485	(28,890)
Dividends (Note 20)	(77,070)	(101,100)
	<u>2,693,163</u>	<u>2,694,748</u>
Closing shareholders' funds	<u>2,693,163</u>	<u>2,694,748</u>

	2011 £	2010 £
Company		
Opening shareholders' funds	2,178,244	1,748,878
Profit for the year	146,177	530,466
Dividends (Note 20)	(77,070)	(101,100)
	<u>2,247,351</u>	<u>2,178,244</u>
Closing shareholders' funds	<u>2,247,351</u>	<u>2,178,244</u>

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

The profit for the year dealt with in the accounts of the company was £146,177 (2010 - £530,466)

20. Dividends

	2011 £	2010 £
Dividends paid on equity capital	<u>77,070</u>	<u>101,100</u>

On 11 April 2011 the directors proposed a dividend of £35,040

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

21 Net cash flow from operating activities

	2011	2010
	£	£
Operating profit	74,980	65,447
Amortisation of intangible fixed assets	70,692	70,692
Depreciation of tangible fixed assets	25,200	24,742
Decrease/(increase) in stocks	144,107	(103,989)
Decrease in debtors	49,982	133,637
Decrease in creditors	(138,131)	(229,619)
Net cash inflow/(outflow) from operating activities	226,830	(39,090)

22. Analysis of cash flows for headings netted in cash flow statement

	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest received	639	14,120
Interest paid	-	(8,190)
Net cash inflow from returns on investments and servicing of finance	639	5,930
	2011	2010
	£	£
Capital expenditure and financial investment		
Sale of intangible fixed assets	-	824
Purchase of tangible fixed assets	(4,862)	(139,000)
Net cash outflow from capital expenditure	(4,862)	(138,176)
	2011	2010
	£	£
Financing		
Repayment of other loans	(100,000)	(100,000)

23. Analysis of changes in net debt

	1 April	Cash flow	Other	31 March
	2010		non-cash	2011
	£	£	changes	£
Cash at bank and in hand	742,439	(46,605)	-	695,834
Debt:				
Debts due within one year	(1,000,000)	100,000	-	(900,000)
Net debt	(257,561)	53,395	-	(204,166)

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

24 Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £10,793 (2010 £19,640).

The company also made contributions to personal pension schemes of employees totalling £20,700 (2010 £13,500).

Contributions totalling £7,200 (2010 £Nil) were payable to the fund at the balance sheet date and are included in creditors.

25. Related party transactions

The following directors received the following dividends in the year

	2011	2010
	£	£
C B Willoughby	40,401	64,431
S W Willoughby	36,669	36,669
	<u>77,070</u>	<u>101,100</u>

The following loans from shareholders (included within other loans) are outstanding at 31 March 2011

	2011	2010
	£	£
C B Willoughby	225,000	250,000
S W Willoughby	225,000	250,000
S C Clarke	225,000	250,000
J H Howarth	225,000	250,000
	<u>900,000</u>	<u>1,000,000</u>

During the year a repayment of £25,000 was made to each shareholder. No interest is attracted on these loans.

In accordance with Financial Reporting Standard 8 the group claims exemption from the disclosure of related party transactions between group companies on the basis that these are fully excluded on consolidation.

26 Post balance sheet events

On 3 May 2011, the company sold all of the trade and certain assets of the business for a consideration of £683,785.

27. Controlling party

The group is controlled by C B Willoughby and S W Willoughby, as directors and shareholders.