

Abbreviated Accounts
for the Year Ended 31 October 2012
for
Caner International Ltd

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for the Year Ended 31 October 2012**

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Canei International Ltd
Company Information
for the Year Ended 31 October 2012

DIRECTORS

R L Bhardwaj
B K Bhardwaj
K K Bhardwaj

SECRETARY:

B K Bhardwaj

REGISTERED OFFICE.

4Brothers House
90-100 Wilsthorpe Road
Long Eaton
Nottinghamshire
NG10 3LE

REGISTERED NUMBER:

02576310 (England and Wales)

AUDITORS.

HSKS Greenhalgh
Chartered Accountants &
Statutory Auditor
18 St Christopher's Way
Pride Park
Derby
DE24 8JY

**Report of the Directors
for the Year Ended 31 October 2012**

The directors present their report with the accounts of the company for the year ended 31 October 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of operation of car sales showrooms, car servicing and maintenance and rental of storage units

REVIEW OF BUSINESS

The results for the year and financial position of the company are shown in the annexed financial statements

The company's gross profit margin has increased compared with previous years. This has been achieved by focusing on margin sales rather than volume, and the focus of the company activities remains on maintaining improved margins whilst aiming to increase turnover.

The directors are satisfied trading performance during the year and are satisfied with the position of the company at the year end.

ANALYSIS USING KEY PERFORMANCE INDICATORS

The key performance indicators of the business are gross profit margins.

The gross profit percentage has increased in comparison to the previous year as a result of the sales mix. The rise is mainly due to the focus on higher margin products, including diversification into other car related products.

PRINCIPLE RISKS AND UNCERTAINTIES

The directors consider that the principal risk to the business is interest rate rises, and this has been mitigated by hedging the majority of loans outstanding, resulting in an effective fixed interest rate on these loans. In the view of the directors the company has no material uncertainties as it is a well established local business.

ANALYSIS OF DEVELOPMENT AND PERFORMANCE

Sales activity continues to be buoyant and this should continue with the diversity into further trading activities within the company, the prestige car showroom and the Fantom Automotive Styling product, these aspects continue to attract new customers to the brand. The company continues to offer a quality service across the whole business, helping to retain existing customers and attracting new ones.

DIVIDENDS

An interim dividend of £73 per share was paid on 31 December 2011. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 October 2012 will be £73,000.

FUTURE DEVELOPMENTS

The company is aiming to increase sales whilst maintaining higher margins achieved, with internet sales and diversification into specialist areas being a major factor in the growth process.

DIRECTORS

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

R L Bhardwaj
B K Bhardwaj
K K Bhardwaj

**Report of the Directors
for the Year Ended 31 October 2012**

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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

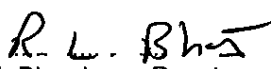
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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 company'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 company's auditors are aware of that information.

ON BEHALF OF THE BOARD:


R L Bhardwaj - Director

Date

08 07 13

**Report of the Independent Auditors to
Cane International Ltd
Under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages five to twenty, together with the full financial statements of Cane International Ltd for the year ended 31 October 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

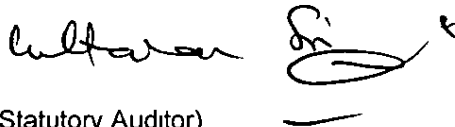
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Kultaran Singh FCA (Senior Statutory Auditor)
for and on behalf of HSKS Greenhalgh
Chartered Accountants &
Statutory Auditor
18 St Christopher's Way
Pride Park
Derby
DE24 8JY

Date

08 07 13

Canei International Ltd (Registered number: 02576310)

**Abbreviated Profit and Loss Account
for the Year Ended 31 October 2012**

	Notes	2012 £	2011 £
TURNOVER		13,364,856	12,048,485
Cost of sales and other operating income		(10,889,935)	(10,007,920)
		2,474,921	2,040,565
Administrative expenses		1,801,266	1,637,528
OPERATING PROFIT	3	673,655	403,037
Interest payable and similar charges	4	40,474	48,783
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		633,181	354,254
Tax on profit on ordinary activities	5	155,294	28,914
PROFIT FOR THE FINANCIAL YEAR		477,887	325,340

CONTINUING OPERATIONS

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

The notes form part of these abbreviated accounts

Cane International Ltd (Registered number 02576310)

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 October 2012**

	2012	2011
	£	£
PROFIT FOR THE FINANCIAL YEAR	477,887	325,340
Property revaluations	326,028	(35,973)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	803,915	289,367

The notes form part of these abbreviated accounts

Abbreviated Balance Sheet
31 October 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	7	61,953	20,430
Tangible assets	8	1,501,599	1,874,331
Investment property	9	1,420,000	698,167
		<u>2,983,552</u>	<u>2,592,928</u>
CURRENT ASSETS			
Stocks	10	2,528,845	2,371,012
Debtors	11	800,069	774,731
Cash at bank and in hand		866,835	628,831
		<u>4,195,749</u>	<u>3,774,574</u>
CREDITORS			
Amounts falling due within one year	12	2,593,518	1,846,003
NET CURRENT ASSETS		<u>1,602,231</u>	<u>1,928,571</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,585,783</u>	<u>4,521,499</u>
CREDITORS			
Amounts falling due after more than one year	13	(553,222)	(1,226,450)
PROVISIONS FOR LIABILITIES	17	(39,437)	(32,840)
NET ASSETS		<u>3,993,124</u>	<u>3,262,209</u>
CAPITAL AND RESERVES			
Called up share capital	18	1,000	1,000
Revaluation reserve	19	444,347	118,319
Profit and loss account	19	3,547,777	3,142,890
SHAREHOLDERS' FUNDS	23	<u>3,993,124</u>	<u>3,262,209</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 08.07.13 and were signed on its behalf by


R L Bhardwaj - Director

Cash Flow Statement
for the Year Ended 31 October 2012

	Notes	2012 £	2011 £
Net cash inflow from operating activities	1	709,116	471,622
Returns on investments and servicing of finance	2	(40,474)	(48,783)
Taxation		50,804	(180,000)
Capital expenditure and financial investment	2	(139,542)	(199,288)
Equity dividends paid		(73,000)	(22,500)
		506,904	21,051
Financing	2	(316,643)	55,531
Increase in cash in the period		190,261	76,582
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		190,261	76,582
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		338,753	(120,533)
Change in net debt resulting from cash flows		529,014	(43,951)
Movement in net debt in the period		529,014	(43,951)
Net debt at 1 November		(2,055,448)	(2,011,497)
Net debt at 31 October		(1,526,434)	(2,055,448)

Notes to the Cash Flow Statement
for the Year Ended 31 October 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating profit	673,655	403,037
Depreciation charges	100,296	105,436
Profit on disposal of fixed assets	(25,350)	(8,240)
(Increase)/decrease in stocks	(157,833)	341,132
Increase in debtors	(76,142)	(201,244)
Increase/(decrease) in creditors	194,490	(168,499)
Net cash inflow from operating activities	709,116	471,622

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

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest paid	(40,474)	(48,783)
Net cash outflow for returns on investments and servicing of finance	(40,474)	(48,783)
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(50,000)	-
Purchase of tangible fixed assets	(292,133)	(205,148)
Purchase of investment property	-	(44,140)
Sale of intangible fixed assets	-	50,000
Sale of tangible fixed assets	202,591	-
Net cash outflow for capital expenditure and financial investment	(139,542)	(199,288)
Financing		
Bank loan repayments in year	(317,375)	(120,605)
Stocking loans change in year	(9,758)	184,974
Hire purchase capital repayments in year	(11,620)	(1,937)
Amount introduced by directors	22,110	-
Amount withdrawn by directors	-	(65,002)
New hire purchase finance in year	-	58,101
Net cash (outflow)/inflow from financing	(316,643)	55,531

Notes to the Cash Flow Statement
for the Year Ended 31 October 2012

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1/11/11 £	Cash flow £	At 31/10/12 £
Net cash			
Cash at bank and in hand	628,831	238,004	866,835
Bank overdraft	(326,434)	(47,743)	(374,177)
	<u>302,397</u>	<u>190,261</u>	<u>492,658</u>
Debt			
Hire purchase	(56,164)	11,620	(44,544)
Debts falling due within one year	(1,119,775)	(334,475)	(1,454,250)
Debts falling due after one year	(1,181,906)	661,608	(520,298)
	<u>(2,357,845)</u>	<u>338,753</u>	<u>(2,019,092)</u>
Total	<u>(2,055,448)</u>	<u>529,014</u>	<u>(1,526,434)</u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 October 2012**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Turnover

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

Turnover consists of the following goods and services - car sales (excluding commissions received), car repairs and maintenance and storage unit rentals

Goodwill

Goodwill, being the amount paid in connection with the acquisition of businesses in 2010 and 2012, is being amortised evenly over its estimated useful life of five years

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

Freehold property	- 2% on cost
Short leasehold	- over the term of the lease
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

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

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

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.

2 STAFF COSTS

	2012 £	2011 £
Wages and salaries	895,817	793,495
Social security costs	89,285	76,491
	<u>985,102</u>	<u>869,986</u>

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012**

2 STAFF COSTS - continued

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

	2012	2011
Operational	<u>42</u>	<u>50</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation - owned assets	91,412	89,914
Depreciation - assets on hire purchase contracts	7,407	8,715
Profit on disposal of fixed assets	(25,350)	(8,240)
Goodwill amortisation	8,477	6,810
Auditors' remuneration	4,000	4,000
Operating lease rentals	<u>102,700</u>	<u>100,000</u>
Directors' remuneration	<u>-</u>	<u>-</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Bank interest	6,058	11,698
Bank loan interest	34,416	37,085
	<u>40,474</u>	<u>48,783</u>

5 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	148,697	73,946
(Over)/under provision in prior years	<u>-</u>	<u>(33,097)</u>
Total current tax	148,697	40,849
Deferred tax	<u>6,597</u>	<u>(11,935)</u>
Tax on profit on ordinary activities	<u>155,294</u>	<u>28,914</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012

5 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>633,181</u>	<u>354,254</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.830% (2011 - 26%)	157,219	92,106
Effects of		
Expenses not deductible for tax purposes	2,030	260
Adjustments to tax charge in respect of previous periods	-	(33,097)
Capital allowances in excess of depreciation	(9,958)	(17,410)
Effective reduction of main rate	-	2,385
Marginal relief	-	(3,395)
Profit on disposal	(6,294)	-
Chargeable gain	<u>5,700</u>	<u>-</u>
Current tax charge	<u>148,697</u>	<u>40,849</u>

Factors that may affect future tax charges

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the assets were disposed of. The total amount unprovided for is approximately £85,000. At present it is not envisaged that any tax will become payable in the foreseeable future.

6 DIVIDENDS

	2012	2011
	£	£
Ordinary shares of £1 each		
Interim	<u>73,000</u>	<u>22,500</u>

7 INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 November 2011	34,050
Additions	<u>50,000</u>
At 31 October 2012	<u>84,050</u>
AMORTISATION	
At 1 November 2011	13,620
Amortisation for year	<u>8,477</u>
At 31 October 2012	<u>22,097</u>
NET BOOK VALUE	
At 31 October 2012	<u><u>61,953</u></u>
At 31 October 2011	<u><u>20,430</u></u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012

8 TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Plant and machinery £
COST			
At 1 November 2011	1,651,129	-	130,448
Additions	76,509	25,571	120,532
Disposals	(175,000)	-	(3,650)
Reclassification/transfer	(538,000)	-	-
At 31 October 2012	1,014,638	25,571	247,330
DEPRECIATION			
At 1 November 2011	205,015	-	32,446
Charge for year	23,000	4,262	22,008
Eliminated on disposal	(7,000)	-	(1,409)
Reclassification/transfer	(142,195)	-	-
At 31 October 2012	78,820	4,262	53,045
NET BOOK VALUE			
At 31 October 2012	935,818	21,309	194,285
At 31 October 2011	1,446,114	-	98,002

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 November 2011	446,913	32,583	75,340	2,336,413
Additions	34,677	31,118	3,726	292,133
Disposals	-	-	-	(178,650)
Reclassification/transfer	-	-	-	(538,000)
At 31 October 2012	481,590	63,701	79,066	1,911,896
DEPRECIATION				
At 1 November 2011	169,002	12,446	43,173	462,082
Charge for year	28,707	12,122	8,720	98,819
Eliminated on disposal	-	-	-	(8,409)
Reclassification/transfer	-	-	-	(142,195)
At 31 October 2012	197,709	24,568	51,893	410,297
NET BOOK VALUE				
At 31 October 2012	283,881	39,133	27,173	1,501,599
At 31 October 2011	277,911	20,137	32,167	1,874,331

In April 2013 the company freehold property was professionally valued by Musson Liggins, Chartered Surveyors. The market value of the freehold property owned by the company at the year end amounted to £1,150,000.

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012

8 **TANGIBLE FIXED ASSETS - continued**

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

	Plant and machinery £
COST	
At 1 November 2011 and 31 October 2012	58,101
DEPRECIATION	
At 1 November 2011	8,715
Charge for year	7,407
At 31 October 2012	16,122
NET BOOK VALUE	
At 31 October 2012	41,979
At 31 October 2011	49,386

9 **INVESTMENT PROPERTY**

	Total £
COST OR VALUATION	
At 1 November 2011	698,167
Revaluations	326,028
Reclassification/transfer	395,805
At 31 October 2012	1,420,000
NET BOOK VALUE	
At 31 October 2012	1,420,000
At 31 October 2011	698,167

Cost or valuation at 31 October 2012 is represented by

	£
Valuation in 2012	183,833
Valuation in 2011	(35,973)
Valuation in 2009	154,292
Cost	1,117,848
	1,420,000

Investment and Freehold property was valued on an market value basis, between January and April 2013, by Musson Liggins. This revaluation has been reflected in the financial statements for the year ended 31 October 2012

10 **STOCKS**

	2012 £	2011 £
Car stocks	2,528,845	2,371,012

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012**

11 DEBTORS

	2012	2011
	£	£
Amounts falling due within one year		
Trade debtors	11,465	-
Other debtors	64,992	68,126
Inter-company loans	376,758	655,801
Tax	-	50,804
Prepayments	48,987	-
	<u>502,202</u>	<u>774,731</u>
Amounts falling due after more than one year		
Other debtors	<u>297,867</u>	<u>-</u>
Aggregate amounts	<u>800,069</u>	<u>774,731</u>

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Bank loans and overdrafts (see note 14)	840,186	448,210
Other loans (see note 14)	988,241	997,999
Hire purchase contracts (see note 15)	11,620	11,620
Trade creditors	389,382	252,975
Tax	148,697	-
Social security and other taxes	30,323	25,449
Wages	1,168	-
VAT	63,981	10,859
Other creditors	42,542	58,994
Directors' current accounts	39,417	17,307
Accrued expenses	37,961	22,590
	<u>2,593,518</u>	<u>1,846,003</u>

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Bank loans (see note 14)	520,298	1,181,906
Hire purchase contracts (see note 15)	32,924	44,544
	<u>553,222</u>	<u>1,226,450</u>

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012**

14 LOANS

An analysis of the maturity of loans is given below

	2012	2011
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	374,177	326,434
Bank loans	466,009	121,776
Stocking loan	988,241	997,999
	<u>1,828,427</u>	<u>1,446,209</u>
 Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>92,055</u>	<u>465,848</u>
 Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>247,028</u>	<u>265,547</u>
 Amounts falling due in more than five years		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>181,215</u>	<u>450,511</u>

15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2012	2011
	£	£
Net obligations repayable		
Within one year	11,620	11,620
Between one and five years	32,924	44,544
	<u>44,544</u>	<u>56,164</u>

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

	Land and buildings	
	2012	2011
	£	£
Expiring		
Between one and five years	<u>116,200</u>	<u>100,000</u>

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012**

16 SECURED DEBTS

The following secured debts are included within creditors

	2012	2011
	£	£
Bank overdrafts	374,177	326,434
Bank loans	986,307	1,303,682
Stocking loan	988,241	997,999
Hire purchase contracts	44,544	56,164
	<u>2,393,269</u>	<u>2,684,279</u>

The bank overdrafts, bank loans, stocking loans and hire purchase contracts are secured and supported by the following assets -

Unscheduled mortgage debentures dated 17 July 1996 and 14 July 2011 incorporating fixed and floating charges over all current and future assets of the company regarding bank overdrafts, bank loans and stocking loans respectively

A first legal mortgage debenture dated 17 July 1996 over the freehold land and buildings on the junction of Derby Road and Burnt House Road, Heanor, Derbyshire

A first legal mortgage debenture dated 4 January 2008 over the freehold land and buildings at Queens Road, Beeston, Nottingham

A first legal mortgage debenture dated 8 April 1998 over the freehold land and buildings at Sawley Garage, Tamworth Road, Sawley, Nottingham

A first legal mortgage debenture dated 25 June 2010 over the freehold land and buildings at Pottery Service Station, Nottingham Road, Belper, Derbyshire

An inter-company cross guarantee between Cane International Limited, NS Kambr Limited and 4Brothers Properties Limited

After the year end, the company transferred its borrowings from National Westminster Bank plc to Svenska Handelsbanken AB (publ) who have now registered charges against the assets of the company

Hire purchase liabilities are secured on the assets financed

17 PROVISIONS FOR LIABILITIES

	2012	2011
	£	£
Deferred tax	<u>39,437</u>	<u>32,840</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012

17 PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 November 2011	32,840
Charged in year	6,597
Balance at 31 October 2012	<u>39,437</u>

18 CALLED UP SHARE CAPITAL

Allotted, Number	issued and fully paid Class	Nominal value £1	2012 £ <u>1,000</u>	2011 £ <u>1,000</u>
1,000	Ordinary			

19 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 November 2011	3,142,890	118,319	3,261,209
Profit for the year	477,887		477,887
Dividends	(73,000)		(73,000)
Investment property revaluations	-	326,028	326,028
At 31 October 2012	<u>3,547,777</u>	<u>444,347</u>	<u>3,992,124</u>

20 CONTINGENT LIABILITIES

The bank loans and overdraft are secured in part by an inter-company cross guarantee between Cane International Limited, NS Kambr Limited and 4Brothers Properties Limited

Related companies have given guarantees as a normal part of their business and operating activities Cane International Limited has provided guarantees in respect of the liabilities of related companies in support of their business activities

21 RELATED PARTY DISCLOSURES

During the year, total dividends of £73,000 were paid to the directors

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2012**

21 RELATED PARTY DISCLOSURES - continued

The company has loans owing from N S Kambr Limited and 4Brothers Properties Limited, in which Mr R L Bhardwaj and Mr B K Bhardwaj have a controlling interest. The outstanding balances respectively at 31 October 2012 amounted to £41,370 and £256,497 (2011 - £24,407 and £254,637 respectively)

The company has a loan owing from Kam Servicing Limited, in which Mr K K Bhardwaj has a controlling interest. The amount owed at the year end amounted to £311,058 (2011 - £311,058). During the year the company made sales to and purchased goods from Kam Servicing Limited. At the year end, £240 was owed by and £9,684 was owed to Kam Servicing Limited.

The company has a loan owing from Kam Servicing (Sawley) Limited, a business carried on by Mr S D Bhardwaj. Mr S D Bhardwaj is the brother of Mr R L Bhardwaj, Mr B K Bhardwaj and Mr K K Bhardwaj. The amount owed at the year end amounted to £65,700 (2011 - £65,700). During the year the company made sales to and purchased goods from Kam Servicing (Sawley) Limited. At the year end, £7,273 was owed by and £2,340 was owed to Kam Servicing (Sawley) Limited.

The loans are unsecured, interest free and have no fixed repayment terms.

The company leases premises from 4Brothers Properties Limited, in which Mr R L Bhardwaj and Mr B K Bhardwaj have controlling interest. Rent at the rate of £100,000 per annum is charged and the property has permitted use as a car showroom, the term of the lease is 5 years commencing 1 October 2010.

A division of the company known as Kam Bulwell leased premises from 4Brothers Properties Limited, in which Mr R L Bhardwaj and Mr B K Bhardwaj have a controlling interest. Total rent paid in the year amounted to £39,997 (2011 - £6,923).

22 ULTIMATE CONTROLLING PARTY

The company is controlled by Mr R L Bhardwaj, Mr B K Bhardwaj and their respective wives who own 100% of the called up share capital.

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012	2011
	£	£
Profit for the financial year	477,887	325,340
Dividends	(73,000)	(22,500)
	404,887	302,840
Other recognised gains and losses relating to the year (net)	326,028	(35,973)
Depreciation charge written back	-	42,273
Net addition to shareholders' funds	730,915	309,140
Opening shareholders' funds	3,262,209	2,953,069
Closing shareholders' funds	3,993,124	3,262,209