

COMPANY REGISTRATION NUMBER 3443003

**SANDHURST AUTOPRINT LIMITED**  
**FINANCIAL STATEMENTS**

**31 JULY 2012**



**STEWART & CO**  
Chartered Accountants & Statutory Auditor  
Knoll House, Knoll Road  
Camberley, Surrey  
GU15 3SY

# **SANDHURST AUTOPRINT LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2012**

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**SANDHURST AUTOPRINT LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

|                          |                                                                                                                          |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------|
| <b>The director</b>      | T M Sanders                                                                                                              |
| <b>Company secretary</b> | J A Sanders                                                                                                              |
| <b>Registered office</b> | Knoll House<br>Knoll Road<br>Camberley<br>Surrey<br>GU15 3SY                                                             |
| <b>Auditor</b>           | Stewart & Co<br>Chartered Accountants<br>& Statutory Auditor<br>Knoll House, Knoll Road<br>Camberley, Surrey<br>GU15 3SY |

# **SANDHURST AUTOPRINT LIMITED**

## **THE DIRECTOR'S REPORT**

### **YEAR ENDED 31 JULY 2012**

The director has pleasure in presenting his report and the financial statements of the group for the year ended 31 July 2012

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the group during the year was the supply of materials for, and the manufacture of, vehicle registration plates, the leasing of equipment for the manufacture thereof and the manufacture and distributions of vehicle and other accessories

The development and performance of the business of the company during the financial year and the position of the company at the end of the financial year are considered satisfactory by the director. This is supported by the company's financial key performance indicators which are detailed in the attached financial statements. The director believes that no further indicators are required in this report to gain an overall understanding of the business.

The continuing global economic environment remains challenging to all businesses and the uncertainty of trading conditions over the coming years is the principle risk faced. The company remains in a strong financial position and, while continuation of historic growth levels will be difficult to achieve, the steps that have already been taken to improve the profitability of the company will ensure that this strong position can be maintained.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £471,520. Particulars of dividends paid are detailed in note 10 to the financial statements.

#### **FINANCIAL INSTRUMENTS**

The company does not use any financial instruments to hedge its risks associated with price, credit, liquidity or cash flow.

#### **DIRECTOR**

The director who served the company during the year was as follows:

T M Sanders

#### **DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Director's Report 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 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 year.

In preparing those 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,

# **SANDHURST AUTOPRINT LIMITED**

## **THE DIRECTOR'S REPORT** *(continued)*

### **YEAR ENDED 31 JULY 2012**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the director is aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **DONATIONS**

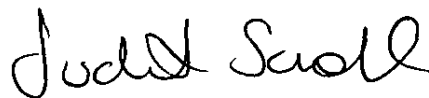
During the year the company contributed £8,953 to charities. This figure is the total of several donations made in sponsorship of several fundraising activities.

#### **AUDITOR**

Stewart & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office  
Knoll House  
Knoll Road  
Camberley  
Surrey  
GU15 3SY

Signed by order of the director



J A SANDERS  
Company Secretary

Approved by the director on 28 February 2013

# **SANDHURST AUTOPRINT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SANDHURST AUTOPRINT LIMITED**

**YEAR ENDED 31 JULY 2012**

We have audited the group and parent company financial statements ("the financial statements") of Sandhurst Autoprint Limited for the year ended 31 July 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR**

As explained more fully in the Director's Responsibilities Statement set out on pages 2 to 3, 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 (APB'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 annual 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 parent company's affairs as at 31 July 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

# **SANDHURST AUTOPRINT LIMITED**

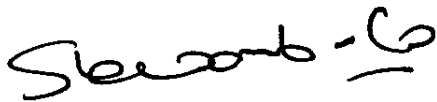
## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SANDHURST AUTOPRINT LIMITED *(continued)***

**YEAR ENDED 31 JULY 2012**

### **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



DAVID HARTLEY FCA (Senior  
Statutory Auditor)  
For and on behalf of  
STEWART & CO  
Chartered Accountants  
& Statutory Auditor

Knoll House, Knoll Road  
Camberley, Surrey  
GU15 3SY

28 February 2013

# SANDHURST AUTOPRINT LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JULY 2012

|                                                      |          | 2012                  | 2011                  |
|------------------------------------------------------|----------|-----------------------|-----------------------|
|                                                      | Note     | £                     | £                     |
| <b>GROUP TURNOVER</b>                                | <b>2</b> | <b>8,296,019</b>      | <b>7,581,592</b>      |
| Cost of sales                                        |          | <u>5,664,990</u>      | <u>5,187,190</u>      |
| <b>GROSS PROFIT</b>                                  |          | <b>2,631,029</b>      | <b>2,394,402</b>      |
| Distribution costs                                   |          | 857,323               | 780,093               |
| Administrative expenses                              |          | 1,247,072             | 1,144,682             |
| Other operating income                               | <b>3</b> | <u>(143,989)</u>      | <u>(153,469)</u>      |
| <b>OPERATING PROFIT</b>                              | <b>4</b> | <b>670,623</b>        | <b>623,096</b>        |
| Interest receivable                                  |          | 118                   | –                     |
| Interest payable and similar charges                 | <b>7</b> | <u>(18,780)</u>       | <u>(21,138)</u>       |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |          | <u><b>651,961</b></u> | <u><b>601,958</b></u> |
| Tax on profit on ordinary activities                 | <b>8</b> | <u><b>180,441</b></u> | <u><b>174,081</b></u> |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                 | <b>9</b> | <u><b>471,520</b></u> | <u><b>427,877</b></u> |

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the  
year as set out above

The company has taken advantage of section 408 of the Companies Act 2006  
not to publish its own Profit and Loss Account.

The notes on page 6 form part of these financial statements

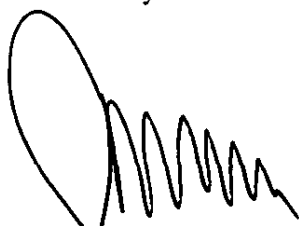
# SANDHURST AUTOPRINT LIMITED

## GROUP BALANCE SHEET

31 JULY 2012

|                                                                | Note | 2012<br>£        | 2011<br>£        |
|----------------------------------------------------------------|------|------------------|------------------|
| <b>FIXED ASSETS</b>                                            |      |                  |                  |
| Intangible assets                                              | 11   | 335,211          | 359,007          |
| Tangible assets                                                | 12   | 725,453          | 780,114          |
| Investments                                                    | 13   | 175,000          | 175,000          |
|                                                                |      | <u>1,235,664</u> | <u>1,314,121</u> |
| <b>CURRENT ASSETS</b>                                          |      |                  |                  |
| Stocks                                                         | 14   | 770,148          | 760,871          |
| Debtors                                                        | 15   | 1,819,567        | 1,650,518        |
| Cash at bank                                                   |      | 783,213          | 411,009          |
|                                                                |      | <u>3,372,928</u> | <u>2,822,398</u> |
| <b>CREDITORS: Amounts falling due within one year</b>          | 16   | <u>1,876,620</u> | <u>1,774,750</u> |
| <b>NET CURRENT ASSETS</b>                                      |      | <u>1,496,308</u> | <u>1,047,648</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      | <u>2,731,972</u> | <u>2,361,769</u> |
| <b>CREDITORS: Amounts falling due after more than one year</b> | 17   | 291,058          | 273,567          |
| <b>PROVISIONS FOR LIABILITIES</b>                              |      |                  |                  |
| Deferred taxation                                              | 19   | 592              | —                |
| Other provisions                                               | 20   | 60,525           | 59,925           |
|                                                                |      | <u>2,379,797</u> | <u>2,028,277</u> |
| <b>CAPITAL AND RESERVES</b>                                    |      |                  |                  |
| Called-up equity share capital                                 | 23   | 50,000           | 50,000           |
| Profit and loss account                                        | 24   | 2,329,797        | 1,978,277        |
| <b>SHAREHOLDERS' FUNDS</b>                                     | 25   | <u>2,379,797</u> | <u>2,028,277</u> |

These financial statements were approved and signed by the director and authorised for issue on 28 February 2013



T M SANDERS  
Director

The notes on page 7 form part of these financial statements

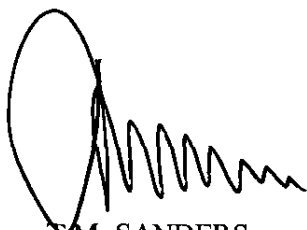
# SANDHURST AUTOPRINT LIMITED

## BALANCE SHEET

31 JULY 2012

|                                                                | Note | 2012<br>£        | 2011<br>£        |
|----------------------------------------------------------------|------|------------------|------------------|
| <b>FIXED ASSETS</b>                                            |      |                  |                  |
| Tangible assets                                                | 12   | 668,749          | 708,711          |
| Investments                                                    | 13   | 736,238          | 736,238          |
|                                                                |      | <u>1,404,987</u> | <u>1,444,949</u> |
| <b>CURRENT ASSETS</b>                                          |      |                  |                  |
| Stocks                                                         | 14   | 528,411          | 441,207          |
| Debtors                                                        | 15   | 1,428,576        | 1,168,411        |
| Cash at bank                                                   |      | 612,469          | 258,802          |
|                                                                |      | <u>2,569,456</u> | <u>1,868,420</u> |
| <b>CREDITORS: Amounts falling due within one year</b>          | 16   | 1,509,432        | 1,163,755        |
| <b>NET CURRENT ASSETS</b>                                      |      | <u>1,060,024</u> | <u>704,665</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      | <u>2,465,011</u> | <u>2,149,614</u> |
| <b>CREDITORS: Amounts falling due after more than one year</b> | 17   | 291,058          | 273,567          |
| <b>PROVISIONS FOR LIABILITIES</b>                              |      |                  |                  |
| Other provisions                                               | 20   | 60,525           | 59,925           |
|                                                                |      | <u>2,113,428</u> | <u>1,816,122</u> |
| <b>CAPITAL AND RESERVES</b>                                    |      |                  |                  |
| Called-up equity share capital                                 | 23   | 50,000           | 50,000           |
| Profit and loss account                                        | 24   | 2,063,428        | 1,766,122        |
| <b>SHAREHOLDERS' FUNDS</b>                                     |      | <u>2,113,428</u> | <u>1,816,122</u> |

These financial statements were approved and signed by the director and authorised for issue on 28 February 2013



PM SANDERS

Director

Company Registration Number 3443003

The notes on page 8 form part of these financial statements

**SANDHURST AUTOPRINT LIMITED**  
**GROUP CASH FLOW CASH FLOW STATEMENT**  
**YEAR ENDED 31 JULY 2012**

|                                                        | Note      | 2012<br>£             | 2011<br>£              |
|--------------------------------------------------------|-----------|-----------------------|------------------------|
| <b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>       | <b>26</b> | <b>763,918</b>        | <b>581,820</b>         |
| <b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b> | <b>26</b> | <b>(18,662)</b>       | <b>(21,138)</b>        |
| <b>TAXATION</b>                                        | <b>26</b> | <b>(173,868)</b>      | <b>(169,998)</b>       |
| <b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>    | <b>26</b> | <b>(145,121)</b>      | <b>(73,346)</b>        |
| <b>EQUITY DIVIDENDS PAID</b>                           |           | <b>(120,000)</b>      | <b>(160,000)</b>       |
| <b>CASH INFLOW BEFORE FINANCING</b>                    |           | <b>306,267</b>        | <b>157,338</b>         |
| <b>FINANCING</b>                                       | <b>26</b> | <b>65,937</b>         | <b>(234,683)</b>       |
| <b>INCREASE/(DECREASE) IN CASH</b>                     | <b>26</b> | <b><u>372,204</u></b> | <b><u>(77,345)</u></b> |

The notes on page 9 form part of these financial statements

**SANDHURST AUTOPRINT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over 20 years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

**Group turnover**

The turnover shown in the profit and loss account represents amounts earned during the year, exclusive of Value Added Tax.

**Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|          |                      |
|----------|----------------------|
| Goodwill | - Over 2 or 20 years |
| Patents  | - Over 4 years       |

**Fixed assets**

All fixed assets are initially recorded at cost.

**SANDHURST AUTOPRINT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**1. ACCOUNTING POLICIES** *(continued)*

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

|                     |   |                                          |
|---------------------|---|------------------------------------------|
| Leasehold Property  | - | Straight line over the life of the lease |
| Plant & Machinery   | - | 25% reducing balance                     |
| Fixtures & Fittings | - | 10% reducing balance                     |
| Motor Vehicles      | - | Straight line over 3 years               |
| Leasing equipment   | - | 33% reducing balance                     |

**Investment properties**

In accordance with the provisions of SSAP 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation is provided in respect of investment properties.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, because these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made, the result for the financial year would have been reduced by depreciation. However, the depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount, which might otherwise have been shown, cannot separately be identified or quantified.

**Stocks**

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

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

**Finance lease agreements**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

**SANDHURST AUTOPRINT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**1. ACCOUNTING POLICIES** *(continued)*

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have 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 assets 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 the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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 of its liabilities.

**Investments**

Investments are stated at cost less provision for permanent diminution in value.

**SANDHURST AUTOPRINT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**1. ACCOUNTING POLICIES** *(continued)*

**Leasing income**

Rentals receivable under operating leases are taken as income on a straight line basis over the life of the lease

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the group  
An analysis of turnover is given below

|                | 2012<br>£        | 2011<br>£        |
|----------------|------------------|------------------|
| United Kingdom | <u>8,296,019</u> | <u>7,581,592</u> |

**3. OTHER OPERATING INCOME**

|                 | 2012<br>£      | 2011<br>£      |
|-----------------|----------------|----------------|
| Rent receivable | <u>143,989</u> | <u>153,469</u> |

**4. OPERATING PROFIT**

Operating profit is stated after charging

|                                                            | 2012<br>£ | 2011<br>£  |
|------------------------------------------------------------|-----------|------------|
| Amortisation of intangible assets                          | 23,796    | 24,298     |
| Depreciation of owned fixed assets                         | 151,246   | 144,785    |
| Depreciation of assets held under hire purchase agreements | 19,698    | 46,803     |
| Loss on disposal of fixed assets                           | 28,838    | 4,160      |
| Auditor's remuneration                                     |           |            |
| - as auditor                                               | 21,000    | 21,500     |
| Operating lease costs                                      |           |            |
| - Other                                                    | 190,020   | 193,020    |
| Net loss on foreign currency translation                   | <u>—</u>  | <u>460</u> |

**SANDHURST AUTOPRINT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**5. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the group during the financial year amounted to

|                                | <b>2012</b>      | <b>2011</b>      |
|--------------------------------|------------------|------------------|
|                                | <b>No</b>        | <b>No</b>        |
| Number of production staff     | <b>8</b>         | <b>9</b>         |
| Number of distribution staff   | <b>25</b>        | <b>22</b>        |
| Number of administrative staff | <b>14</b>        | <b>14</b>        |
|                                | <u><b>47</b></u> | <u><b>45</b></u> |

The aggregate payroll costs of the above were

|                       | <b>2012</b>             | <b>2011</b>             |
|-----------------------|-------------------------|-------------------------|
|                       | <b>£</b>                | <b>£</b>                |
| Wages and salaries    | <b>976,952</b>          | <b>969,599</b>          |
| Social security costs | <b>94,278</b>           | <b>102,253</b>          |
| Other pension costs   | <b>181,289</b>          | <b>134,420</b>          |
|                       | <u><b>1,252,519</b></u> | <u><b>1,206,272</b></u> |

**6. DIRECTOR'S REMUNERATION**

The director's aggregate remuneration in respect of qualifying services were

|                                                                  | <b>2012</b>           | <b>2011</b>          |
|------------------------------------------------------------------|-----------------------|----------------------|
|                                                                  | <b>£</b>              | <b>£</b>             |
| Remuneration receivable                                          | <b>56,809</b>         | <b>56,796</b>        |
| Value of company pension contributions to money purchase schemes | <b>87,494</b>         | <b>30,000</b>        |
|                                                                  | <u><b>144,303</b></u> | <u><b>86,796</b></u> |

The number of directors who accrued benefits under company pension schemes was as follows

|                        | <b>2012</b>     | <b>2011</b>     |
|------------------------|-----------------|-----------------|
|                        | <b>No</b>       | <b>No</b>       |
| Money purchase schemes | <u><b>1</b></u> | <u><b>1</b></u> |

**7. INTEREST PAYABLE AND SIMILAR CHARGES**

|                                    | <b>2012</b>          | <b>2011</b>          |
|------------------------------------|----------------------|----------------------|
|                                    | <b>£</b>             | <b>£</b>             |
| Interest payable on bank borrowing | <b>169</b>           | <b>63</b>            |
| Finance charges                    | <b>1,958</b>         | <b>6,682</b>         |
| Other similar charges payable      | <b>16,653</b>        | <b>14,393</b>        |
|                                    | <u><b>18,780</b></u> | <u><b>21,138</b></u> |

**SANDHURST AUTOPRINT LIMITED**  
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**8. TAX ON PROFIT FROM ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

|                                                                          | <b>2012</b>    | <b>2011</b>    |
|--------------------------------------------------------------------------|----------------|----------------|
|                                                                          | <b>£</b>       | <b>£</b>       |
| Current tax                                                              |                |                |
| In respect of the year                                                   |                |                |
| UK Corporation tax based on the results for the year at 24% (2011 - 26%) | <u>179,401</u> | <u>173,868</u> |
| Total current tax                                                        | <u>179,401</u> | <u>173,868</u> |
| Deferred tax                                                             |                |                |
| Origination and reversal of timing differences (note 19)                 |                |                |
| Capital allowances                                                       | <u>1,040</u>   | <u>213</u>     |
| Tax on profit on ordinary activities                                     | <u>180,441</u> | <u>174,081</u> |

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 24% (2011 - 26%)

|                                                         | <b>2012</b>    | <b>2011</b>    |
|---------------------------------------------------------|----------------|----------------|
|                                                         | <b>£</b>       | <b>£</b>       |
| Profit on ordinary activities before taxation           | <u>651,961</u> | <u>601,958</u> |
| Profit on ordinary activities by rate of tax            | <u>156,471</u> | <u>156,509</u> |
| Expenses not deductible for tax purposes                | <u>13,396</u>  | <u>7,390</u>   |
| Capital allowances for period in excess of depreciation | <u>5,067</u>   | <u>6,936</u>   |
| Tax chargeable at lower rates                           | <u>4,467</u>   | <u>3,034</u>   |
| Rounding on tax charge                                  | <u>-</u>       | <u>(1)</u>     |
| Total current tax (note 8(a))                           | <u>179,401</u> | <u>173,868</u> |

**9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY**

The profit dealt with in the financial statements of the parent company was £417,306 (2011 - £287,957)

**10. DIVIDENDS**

**Equity dividends**

|                            | <b>2012</b>    | <b>2011</b>    |
|----------------------------|----------------|----------------|
|                            | <b>£</b>       | <b>£</b>       |
| Paid during the year       |                |                |
| Dividends on equity shares | <u>120,000</u> | <u>160,000</u> |

**SANDHURST AUTOPRINT LIMITED**  
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**11 INTANGIBLE FIXED ASSETS**

| <b>Group</b>                      | <b>Goodwill<br/>£</b> |
|-----------------------------------|-----------------------|
| <b>COST</b>                       |                       |
| At 1 August 2011 and 31 July 2012 | <u>476,004</u>        |
| <b>AMORTISATION</b>               |                       |
| At 1 August 2011                  | 116,997               |
| Charge for the year               | <u>23,796</u>         |
| At 31 July 2012                   | <u>140,793</u>        |
| <b>NET BOOK VALUE</b>             |                       |
| At 31 July 2012                   | <u>335,211</u>        |
| At 31 July 2011                   | <u>359,007</u>        |

**12. TANGIBLE FIXED ASSETS**

| <b>Group</b>          | <b>Freehold<br/>Property<br/>£</b> | <b>Leasehold<br/>Property<br/>£</b> | <b>Plant &amp;<br/>Machinery<br/>£</b> | <b>Fixtures &amp;<br/>Fittings<br/>£</b> | <b>Other<br/>Assets<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------|------------------------------------|-------------------------------------|----------------------------------------|------------------------------------------|-------------------------------|--------------------|
| <b>COST</b>           |                                    |                                     |                                        |                                          |                               |                    |
| At 1 Aug 2011         | 253,973                            | 40,373                              | 542,070                                | 81,440                                   | 803,304                       | 1,721,160          |
| Additions             | –                                  | –                                   | 62,794                                 | –                                        | 82,327                        | 145,121            |
| Disposals             | –                                  | –                                   | –                                      | –                                        | (140,353)                     | (140,353)          |
| At 31 Jul 2012        | <u>253,973</u>                     | <u>40,373</u>                       | <u>604,864</u>                         | <u>81,440</u>                            | <u>745,278</u>                | <u>1,725,928</u>   |
| <b>DEPRECIATION</b>   |                                    |                                     |                                        |                                          |                               |                    |
| At 1 Aug 2011         | –                                  | 11,951                              | 303,261                                | 22,313                                   | 603,521                       | 941,046            |
| Charge for the year   | –                                  | 3,999                               | 62,205                                 | 5,912                                    | 98,828                        | 170,944            |
| On disposals          | –                                  | –                                   | –                                      | –                                        | (111,515)                     | (111,515)          |
| At 31 Jul 2012        | <u>–</u>                           | <u>15,950</u>                       | <u>365,466</u>                         | <u>28,225</u>                            | <u>590,834</u>                | <u>1,000,475</u>   |
| <b>NET BOOK VALUE</b> |                                    |                                     |                                        |                                          |                               |                    |
| At 31 Jul 2012        | <u>253,973</u>                     | <u>24,423</u>                       | <u>239,398</u>                         | <u>53,215</u>                            | <u>154,444</u>                | <u>725,453</u>     |
| At 31 Jul 2011        | <u>253,973</u>                     | <u>28,422</u>                       | <u>238,809</u>                         | <u>59,127</u>                            | <u>199,783</u>                | <u>780,114</u>     |

The freehold property was revalued at the year end by the director who believed that the value in the accounts represented the market value of the property

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**12. TANGIBLE FIXED ASSETS** *(continued)*

**Hire purchase agreements**

Included within the net book value of £725,453 is £11,491 (2011 - £140,825) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £19,698 (2011 - £46,803)

| <b>Company</b>        | <b>Freehold<br/>Property<br/>£</b> | <b>Leasehold<br/>Property<br/>£</b> | <b>Plant &amp;<br/>Machinery<br/>£</b> | <b>Fixtures &amp;<br/>Fittings<br/>£</b> | <b>Other<br/>Assets<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------|------------------------------------|-------------------------------------|----------------------------------------|------------------------------------------|-------------------------------|--------------------|
| <b>COST</b>           |                                    |                                     |                                        |                                          |                               |                    |
| At 1 Aug 2011         | 253,973                            | 40,373                              | 402,967                                | 75,708                                   | 785,445                       | 1,558,466          |
| Additions             | —                                  | —                                   | 59,794                                 | —                                        | 82,327                        | 142,121            |
| Disposals             | —                                  | —                                   | —                                      | —                                        | (140,353)                     | (140,353)          |
| <b>At 31 Jul 2012</b> | <b>253,973</b>                     | <b>40,373</b>                       | <b>462,761</b>                         | <b>75,708</b>                            | <b>727,419</b>                | <b>1,560,234</b>   |
| <b>DEPRECIATION</b>   |                                    |                                     |                                        |                                          |                               |                    |
| At 1 Aug 2011         | —                                  | 11,951                              | 232,049                                | 20,093                                   | 585,662                       | 849,755            |
| Charge for the year   | —                                  | 3,999                               | 44,858                                 | 5,560                                    | 98,828                        | 153,245            |
| On disposals          | —                                  | —                                   | —                                      | —                                        | (111,515)                     | (111,515)          |
| <b>At 31 Jul 2012</b> | <b>—</b>                           | <b>15,950</b>                       | <b>276,907</b>                         | <b>25,653</b>                            | <b>572,975</b>                | <b>891,485</b>     |
| <b>NET BOOK VALUE</b> |                                    |                                     |                                        |                                          |                               |                    |
| <b>At 31 Jul 2012</b> | <b>253,973</b>                     | <b>24,423</b>                       | <b>185,854</b>                         | <b>50,055</b>                            | <b>154,444</b>                | <b>668,749</b>     |
| At 31 Jul 2011        | 253,973                            | 28,422                              | 170,918                                | 55,615                                   | 199,783                       | 708,711            |

**Hire purchase agreements**

Included within the net book value of £668,749 is £11,491 (2011 - £85,589) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £19,698 (2011 - £24,421)

**SANDHURST AUTOPRINT LIMITED**  
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**13. INVESTMENTS**

| <b>Group</b>                      | <b>Total<br/>£</b>                   |
|-----------------------------------|--------------------------------------|
| <b>COST</b>                       |                                      |
| At 1 August 2011 and 31 July 2012 | <u><b>175,000</b></u>                |
| <b>NET BOOK VALUE</b>             |                                      |
| At 31 July 2012 and 31 July 2011  | <u><b>175,000</b></u>                |
| <br><b>Company</b>                | <br><b>Group<br/>companies<br/>£</b> |
| <b>COST</b>                       |                                      |
| At 1 August 2011 and 31 July 2012 | <u><b>736,238</b></u>                |
| <b>NET BOOK VALUE</b>             |                                      |
| At 31 July 2012 and 31 July 2011  | <u><b>736,238</b></u>                |

**SANDHURST AUTOPRINT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**13. INVESTMENTS** *(continued)*

|                                    | Country of<br>incorporation | Holding            | Proportion<br>of voting<br>rights and<br>shares held | Nature of business              |
|------------------------------------|-----------------------------|--------------------|------------------------------------------------------|---------------------------------|
| <b>Subsidiary undertakings</b>     |                             |                    |                                                      |                                 |
| All held by the company            |                             |                    |                                                      |                                 |
| Freight Products<br>(U K ) Limited | England                     | Ordinary<br>shares | 100%                                                 | Manufacture and<br>distribution |
| Europlate Limited                  | England                     | Ordinary<br>shares | 100%                                                 | Dormant                         |

The company owns 100% of the issued share capital of the companies listed below,

**Aggregate capital and reserves**

|                                    | 2011<br>£ | 2010<br>£ |
|------------------------------------|-----------|-----------|
| Freight Products<br>(U K ) Limited | 492,296   | 414,286   |
| Europlate Limited                  | 100       | 100       |

**Profit and (loss) for the year**

|                                    |        |         |
|------------------------------------|--------|---------|
| Freight Products<br>(U K ) Limited | 78,010 | 163,716 |
| Europlate Limited                  | —      | —       |

It must be emphasised that the value of the investment in the subsidiary undertaking, Freight Products (U K ) Limited, is disproportionate to the current asset value by £68,842. The subsidiary is held for the long term and is expected to provide a meaningful return on the capital employed. Furthermore, the current asset value of the subsidiary undertaking does not include internally generated goodwill. Accordingly, no impairment has been made.

**14. STOCKS**

|               | Group          |                | Company        |                |
|---------------|----------------|----------------|----------------|----------------|
|               | 2012<br>£      | 2011<br>£      | 2012<br>£      | 2011<br>£      |
| Raw materials | <u>770,148</u> | <u>760,871</u> | <u>528,411</u> | <u>441,207</u> |

**SANDHURST AUTOPRINT LIMITED**  
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**15. DEBTORS**

|                                    | <b>Group</b>     |                  | <b>Company</b>   |                  |
|------------------------------------|------------------|------------------|------------------|------------------|
|                                    | <b>2012</b>      | <b>2011</b>      | <b>2012</b>      | <b>2011</b>      |
|                                    | <b>£</b>         | <b>£</b>         | <b>£</b>         | <b>£</b>         |
| Trade debtors                      | 1,590,901        | 1,586,585        | 1,206,731        | 1,109,782        |
| Amounts owed by group undertakings | –                | –                | 147              | 553              |
| Other debtors                      | 180,840          | 3,991            | 180,840          | 3,991            |
| Deferred taxation (Note 19)        | –                | 448              | –                | 2,929            |
| Prepayments and accrued income     | 47,826           | 59,494           | 39,721           | 51,156           |
|                                    | <u>1,819,567</u> | <u>1,650,518</u> | <u>1,427,439</u> | <u>1,168,411</u> |

**16. CREDITORS: Amounts falling due within one year**

|                                    | <b>Group</b>     |                  | <b>Company</b>   |                  |
|------------------------------------|------------------|------------------|------------------|------------------|
|                                    | <b>2012</b>      | <b>2011</b>      | <b>2012</b>      | <b>2011</b>      |
|                                    | <b>£</b>         | <b>£</b>         | <b>£</b>         | <b>£</b>         |
| Bank loans                         | 162,164          | 90,107           | 162,164          | 90,107           |
| Trade creditors                    | 1,099,983        | 1,112,434        | 814,286          | 633,120          |
| Amounts owed to group undertakings | –                | –                | 100              | 100              |
| Hire purchase agreements           | 11,414           | 35,025           | 11,414           | 16,371           |
| Other creditors including taxation |                  |                  |                  |                  |
| Corporation tax                    | 179,401          | 173,868          | 157,770          | 113,593          |
| VAT                                | 194,074          | 172,835          | 161,668          | 146,697          |
| Other creditors                    | 1,518            | 1,014            | 982              | 784              |
| Accruals and deferred income       | 228,066          | 189,467          | 201,048          | 162,983          |
|                                    | <u>1,876,620</u> | <u>1,774,750</u> | <u>1,509,432</u> | <u>1,163,755</u> |

The company has a bank overdraft facility and a bank loan secured by a debenture over its assets, an unlimited guarantee and a letter of set-off. The obligations under finance leases and hire purchase contracts are secured on the specific fixed assets to which they relate.

**17. CREDITORS: Amounts falling due after more than one year**

|                              | <b>Group</b>   |                | <b>Company</b> |                |
|------------------------------|----------------|----------------|----------------|----------------|
|                              | <b>2012</b>    | <b>2011</b>    | <b>2012</b>    | <b>2011</b>    |
|                              | <b>£</b>       | <b>£</b>       | <b>£</b>       | <b>£</b>       |
| Bank loans                   | 273,985        | 243,311        | 273,985        | 243,311        |
| Hire purchase agreements     | –              | 11,863         | –              | 11,863         |
| Accruals and deferred income | 17,073         | 18,393         | 17,073         | 18,393         |
|                              | <u>291,058</u> | <u>273,567</u> | <u>291,058</u> | <u>273,567</u> |

**SANDHURST AUTOPRINT LIMITED**  
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**18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows

|                                      | <b>Group</b>         |               | <b>Company</b>       |               |
|--------------------------------------|----------------------|---------------|----------------------|---------------|
|                                      | <b>2012</b>          | <b>2011</b>   | <b>2012</b>          | <b>2011</b>   |
|                                      | <b>£</b>             | <b>£</b>      | <b>£</b>             | <b>£</b>      |
| Amounts payable within 1 year        | <b>11,414</b>        | 35,025        | <b>11,414</b>        | 16,371        |
| Amounts payable between 2 to 5 years | <b>-</b>             | 11,863        | <b>-</b>             | 11,863        |
|                                      | <b><u>11,414</u></b> | <u>46,888</u> | <b><u>11,414</u></b> | <u>28,234</u> |

**19. DEFERRED TAXATION**

The movement in the deferred taxation provision during the year was

|                                 | <b>Group</b>      |              | <b>Company</b>        |                |
|---------------------------------|-------------------|--------------|-----------------------|----------------|
|                                 | <b>2012</b>       | <b>2011</b>  | <b>2012</b>           | <b>2011</b>    |
|                                 | <b>£</b>          | <b>£</b>     | <b>£</b>              | <b>£</b>       |
| Asset brought forward           | <b>(448)</b>      | (661)        | <b>(2,929)</b>        | (4,969)        |
| Increase in provision           | <b>1,040</b>      | 213          | <b>1,792</b>          | 2,040          |
| Provision/Asset carried forward | <b><u>592</u></b> | <u>(448)</u> | <b><u>(1,137)</u></b> | <u>(2,929)</u> |

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of

| <b>Group</b>                                                                                                      | <b>2012</b>       |                   | <b>2011</b>         |                   |
|-------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|---------------------|-------------------|
|                                                                                                                   | <b>Provided</b>   | <b>Unprovided</b> | <b>Provided</b>     | <b>Unprovided</b> |
|                                                                                                                   | <b>£</b>          | <b>£</b>          | <b>£</b>            | <b>£</b>          |
| Excess of taxation allowances over depreciation on fixed assets/(Excess of depreciation over taxation allowances) | <b><u>592</u></b> | <u>-</u>          | <b><u>(448)</u></b> | <u>-</u>          |

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of

| <b>Company</b>                                                                                                    | <b>2012</b>           |                   | <b>2011</b>           |                   |
|-------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|-----------------------|-------------------|
|                                                                                                                   | <b>Provided</b>       | <b>Unprovided</b> | <b>Provided</b>       | <b>Unprovided</b> |
|                                                                                                                   | <b>£</b>              | <b>£</b>          | <b>£</b>              | <b>£</b>          |
| Excess of taxation allowances over depreciation on fixed assets/(Excess of depreciation over taxation allowances) | <b><u>(1,137)</u></b> | <u>-</u>          | <b><u>(2,929)</u></b> | <u>-</u>          |

**SANDHURST AUTOPRINT LIMITED**  
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**20. OTHER PROVISIONS**

|                  | <b>Group</b>         |                      | <b>Company</b>       |                      |
|------------------|----------------------|----------------------|----------------------|----------------------|
|                  | <b>2012</b>          | <b>2011</b>          | <b>2012</b>          | <b>2011</b>          |
|                  | <b>£</b>             | <b>£</b>             | <b>£</b>             | <b>£</b>             |
| Other provisions | <u><b>60,525</b></u> | <u><b>59,925</b></u> | <u><b>60,525</b></u> | <u><b>59,925</b></u> |

The company had a brought forward provision in respect of dilapidations. A 1% inflation increase has been made on the provision during the year and hence the carried forward balance represents the provision in respect of dilapidations.

**21. COMMITMENTS UNDER OPERATING LEASES**

At 31 July 2012 the group had annual commitments under non-cancellable operating leases as set out below

| <b>Group</b>                  | <b>Land and buildings</b> |                       |
|-------------------------------|---------------------------|-----------------------|
|                               | <b>2012</b>               | <b>2011</b>           |
|                               | <b>£</b>                  | <b>£</b>              |
| Operating leases which expire |                           |                       |
| After more than 5 years       | <u><b>152,020</b></u>     | <u><b>152,020</b></u> |

At 31 July 2012 the company had annual commitments under non-cancellable operating leases as set out below

| <b>Company</b>                | <b>Land and buildings</b> |                       |
|-------------------------------|---------------------------|-----------------------|
|                               | <b>2012</b>               | <b>2011</b>           |
|                               | <b>£</b>                  | <b>£</b>              |
| Operating leases which expire |                           |                       |
| After more than 5 years       | <u><b>108,020</b></u>     | <u><b>108,020</b></u> |

**SANDHURST AUTOPRINT LIMITED**  
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**22. RELATED PARTY TRANSACTIONS**

The group was under the control of T M Sanders throughout the current and previous year T M Sanders is the sole director and majority shareholder During the year the group paid T M Sanders £3,000 (2011 - £3,000) in respect of rent During the year T M Sanders received dividends of £120,000 (2011 - £160,000) from the group

Hambridge Limited, is owned by close family members of T.M. Sanders During the year the group was invoiced £190,020 (2011 - £143,242) by Hambridge Limited for repairs to leasehold properties and rent on properties on normal commercial terms At the year end £38,004 (2011 - £38,004) was owed to Hambridge Limited

Sandhurst Partition Blocks was a wholly owned subsidiary of Hambridge Limited During the year the group rented properties on normal commercial terms from Sandhurst Partition Blocks Limited at a cost of £nil (2011 - £56,646) At the year end £nil (2011 - £nil) was owed to Sandhurst Partition Blocks Limited

Onus Technologies Limited is wholly owned by T M Sanders During the year the group was invoiced £130,944 (2011 - £70,000) in respect of consultancy charges and general purchases The group invoiced Onus Technologies Limited £3,099 (2011 - £nil) in respect of general sales At the year end the group owed Onus Technologies Limited £10,452 (2011 - £nil) During the year the group loaned Onus Technologies Limited £160,000 This whole balance was still outstanding at the year end The group also provided the administration and accounting function for Onus Technologies Limited On the 1<sup>st</sup> August 2012 the entire issued share capital of Onus Technologies Limited was acquired by Freight Products (UK) Limited into which its assets and liabilities were hived up on the same day

**23. SHARE CAPITAL**

**Authorised share capital:**

|                                    | 2012           | 2011           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| 250,000 Ordinary shares of £1 each | <u>250,000</u> | <u>250,000</u> |

**Allotted, called up and fully paid:**

|                                   | 2012          |               | 2011          |               |
|-----------------------------------|---------------|---------------|---------------|---------------|
|                                   | No            | £             | No            | £             |
| 50,000 Ordinary shares of £1 each | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> |

**SANDHURST AUTOPRINT LIMITED**  
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**24. RESERVES**

| <b>Group</b>            | <b>Profit and loss<br/>account<br/>£</b>     |
|-------------------------|----------------------------------------------|
| Balance brought forward | 1,978,277                                    |
| Profit for the year     | 471,520                                      |
| Equity dividends        | (120,000)                                    |
| Balance carried forward | <u>2,329,797</u>                             |
| <br><b>Company</b>      | <br><b>Profit and loss<br/>account<br/>£</b> |
| Balance brought forward | 1,766,122                                    |
| Profit for the year     | 417,306                                      |
| Equity dividends        | (120,000)                                    |
| Balance carried forward | <u>2,063,428</u>                             |

**25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

|                                     | <b>2012<br/>£</b> | <b>2011<br/>£</b> |
|-------------------------------------|-------------------|-------------------|
| Profit for the financial year       | 471,520           | 427,877           |
| Equity dividends                    | (120,000)         | (160,000)         |
| Net addition to shareholders' funds | 351,520           | 267,877           |
| Opening shareholders' funds         | 2,028,277         | 1,760,400         |
| Closing shareholders' funds         | <u>2,379,797</u>  | <u>2,028,277</u>  |

**26. NOTES TO THE CASH FLOW STATEMENT**

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

|                                           | <b>2012<br/>£</b> | <b>2011<br/>£</b> |
|-------------------------------------------|-------------------|-------------------|
| Operating profit                          | 670,623           | 623,096           |
| Amortisation                              | 23,796            | 24,298            |
| Depreciation                              | 170,944           | 191,588           |
| Loss on disposal of fixed assets          | 28,838            | 4,160             |
| Increase in stocks                        | (9,277)           | (68,464)          |
| Increase in debtors                       | (169,497)         | (252,411)         |
| Increase in creditors                     | 47,891            | 59,553            |
| Increase in provisions                    | 600               | —                 |
| Net cash inflow from operating activities | <u>763,918</u>    | <u>581,820</u>    |

**SANDHURST AUTOPRINT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**26. NOTES TO THE CASH FLOW STATEMENT** *(continued)*

**RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

|                                                                       | 2012<br>£       | 2011<br>£       |
|-----------------------------------------------------------------------|-----------------|-----------------|
| Interest received                                                     | 118             | –               |
| Interest paid                                                         | (16,822)        | (14,456)        |
| Interest element of hire purchase                                     | (1,958)         | (6,682)         |
| Net cash outflow from returns on investments and servicing of finance | <u>(18,662)</u> | <u>(21,138)</u> |

**TAXATION**

|          | 2012<br>£        | 2011<br>£        |
|----------|------------------|------------------|
| Taxation | <u>(173,868)</u> | <u>(169,998)</u> |

**CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT**

|                                                                   | 2012<br>£        | 2011<br>£       |
|-------------------------------------------------------------------|------------------|-----------------|
| Payments to acquire tangible fixed assets                         | <u>(145,121)</u> | <u>(73,346)</u> |
| Net cash outflow for capital expenditure and financial investment | <u>(145,121)</u> | <u>(73,346)</u> |

**FINANCING**

|                                              | 2012<br>£     | 2011<br>£        |
|----------------------------------------------|---------------|------------------|
| Increase in/(repayment of) bank loans        | 102,731       | (153,943)        |
| Capital element of hire purchase             | (35,474)      | (86,131)         |
| Net (outflow)/inflow from long-term accruals | (1,320)       | 5,391            |
| Net cash inflow/(outflow) from financing     | <u>65,937</u> | <u>(234,683)</u> |

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

|                                                   | 2012<br>£      | 2011<br>£        |
|---------------------------------------------------|----------------|------------------|
| Increase/(decrease) in cash in the period         | 372,204        | (77,345)         |
| Net cash (inflow) from/outflow from bank loans    | (102,731)      | 153,943          |
| Cash outflow in respect of hire purchase          | 35,474         | 86,131           |
| Net outflow from/(inflow) from long-term accruals | <u>1,320</u>   | <u>(5,391)</u>   |
|                                                   | <u>306,267</u> | <u>157,338</u>   |
| Change in net funds                               | 306,267        | 157,338          |
| Net funds at 1 August 2011                        | <u>12,310</u>  | <u>(145,028)</u> |
| Net funds at 31 July 2012                         | <u>318,577</u> | <u>12,310</u>    |

**SANDHURST AUTOPRINT LIMITED**  
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**26. NOTES TO THE CASH FLOW STATEMENT** *(continued)*

**ANALYSIS OF CHANGES IN NET FUNDS**

|                          | At<br>1 Aug 2011<br>£ | Cash flows<br>£ | At<br>31 Jul 2012<br>£ |
|--------------------------|-----------------------|-----------------|------------------------|
| Net cash                 |                       |                 |                        |
| Cash in hand and at bank | 411,009               | 372,204         | 783,213                |
| Debt                     |                       |                 |                        |
| Debt due within 1 year   | (90,107)              | (72,057)        | (162,164)              |
| Debt due after 1 year    | (261,704)             | (29,354)        | (291,058)              |
| Hire purchase agreements | (46,888)              | 35,474          | (11,414)               |
|                          | <u>(398,699)</u>      | <u>(65,937)</u> | <u>(464,636)</u>       |
| Net funds                | <u>12,310</u>         | <u>306,267</u>  | <u>318,577</u>         |