

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS
FINANCIAL STATEMENTS
31st MARCH 2012



EDWARDS VEEDER LLP
Chartered Accountants & Statutory Auditor
Alex House
260/8 Chapel Street
Salford
MANCHESTER
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HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

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HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

THE DIRECTORS' REPORT

YEAR ENDED 31st MARCH 2012

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31st March 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a holding company

The year has been a satisfactory one for the company during which it continued to expand in the food service and wholesale sectors resulting in a significant increase in its customer base

The directors anticipate that this expansion will continue in the coming year due to the company's ability to utilise its new operating facilities. These continue to produce further efficiencies for the business and the directors anticipate that this will continue in this current year

Performance Monitoring

The delivery of the company's strategic objectives is monitored by the directors through Key Performance Indicators and the periodic review of various aspects of the company's operations. The directors consider the following Key Performance Indicators as appropriate measures for the delivery of the company's strategy

Financial	Definition
Sales Revenue	Growth in sales revenue and the strength of the company's market position
Operating Profit	The continued growth of operating profits which allows the company to continue to invest in its manufacturing and distribution facilities

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £88,545. Particulars of dividends paid are detailed in note 10 to the financial statements

THE DIRECTORS AND THEIR INTERESTS

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows

	Class of share	At 31 March 2012	At 1 April 2011
MR G HANNAH	ORDINARY SHARES	50	50
MR S HANNAH	ORDINARY SHARES	<u>50</u>	<u>50</u>

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31st MARCH 2012

DIRECTORS' RESPONSIBILITIES

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

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

In preparing those 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 group will continue in business.

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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 directors are aware

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

AUDITOR

Edwards Veeder LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
RAYMOND HOUSE
4 GARNETT PLACE
GLEBE ROAD
EAST GILLIBRANDS
SKELMERSDALE
LANCASHIRE
WN8 9UB

Signed by order of the directors



MR G HANNAH
Company Secretary

Approved by the directors on 27.10.12

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

YEAR ENDED 31st MARCH 2012

We have audited the group and parent company financial statements ("the financial statements") of HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS for the year ended 31st March 2012. 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 DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (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 , 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 31st March 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS *(continued)*

YEAR ENDED 31st MARCH 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



MR S M WHITEHEAD (Senior
Statutory Auditor)
For and on behalf of
EDWARDS VEEDER LLP
Chartered Accountants
& Statutory Auditor

Alex House
260/8 Chapel Street
Salford
MANCHESTER
M3 5JZ

2.10.12.

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st MARCH 2012

	Note	2012 £	2011 £
GROUP TURNOVER	2	15,217,634	12,224,190
Cost of sales		<u>12,912,063</u>	<u>10,259,196</u>
GROSS PROFIT		2,305,571	1,964,994
Administrative expenses		2,221,425	1,962,439
Other operating income	3	<u>(27,319)</u>	<u>(55,165)</u>
OPERATING PROFIT	4	111,465	57,720
Interest receivable		44	58
Interest payable and similar charges	7	<u>(884)</u>	<u>(516)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>110,625</u>	<u>57,262</u>
Tax on profit on ordinary activities	8	22,080	14,105
PROFIT FOR THE FINANCIAL YEAR	9	<u>88,545</u>	<u>43,157</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 pages 8 to 17 form part of these financial statements

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

GROUP BALANCE SHEET

31st MARCH 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Intangible assets	11	50,000	55,000
Tangible assets	12	3,200,309	3,212,047
		<u>3,250,309</u>	<u>3,267,047</u>
CURRENT ASSETS			
Stocks	14	734,436	720,855
Debtors	15	1,027,902	922,847
Cash at bank and in hand		197,881	66,428
		<u>1,960,219</u>	<u>1,710,130</u>
CREDITORS: Amounts falling due within one year	16	2,301,680	1,996,566
NET CURRENT LIABILITIES		<u>(341,461)</u>	<u>(286,436)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,908,848</u>	<u>2,980,611</u>
CREDITORS: Amounts falling due after more than one year	17	1,632,811	1,746,991
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	21,273	18,556
		<u>1,254,764</u>	<u>1,215,064</u>
MINORITY INTERESTS		<u>-</u>	<u>16,845</u>
		<u>1,254,764</u>	<u>1,198,219</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	100	100
Profit and loss account	23	1,254,664	1,198,119
SHAREHOLDERS' FUNDS	24	<u>1,254,764</u>	<u>1,198,219</u>

These financial statements were approved by the directors and authorised for issue on 2.10.12, and are signed on their behalf by:

MR G HANNAH

MR S HANNAH

The notes on pages 8 to 17 form part of these financial statements

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

BALANCE SHEET

31st MARCH 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	12	115,000	115,000
Investments	13	177	177
		<u>115,177</u>	<u>115,177</u>
CURRENT ASSETS			
Debtors	15	291,090	291,190
Cash at bank		100	—
		<u>291,190</u>	<u>291,190</u>
CREDITORS: Amounts falling due within one year	16	<u>390,000</u>	<u>390,000</u>
NET CURRENT LIABILITIES		<u>(98,810)</u>	<u>(98,810)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>16,367</u>	<u>16,367</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	100	100
Profit and loss account	23	16,267	16,267
SHAREHOLDERS' FUNDS		<u>16,367</u>	<u>16,367</u>

These financial statements were approved by the directors and authorised for issue on 2.10.12, and are signed on their behalf by


MR G HANNAH


MR S HANNAH

Company Registration Number 4587713

The notes on pages 8 to 17 form part of these financial statements.

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 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 five 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.

Turnover

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

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 - 5% Straight line

Fixed assets

All fixed assets are initially recorded at cost.

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:

Freehold Property	- Nil
Fixtures & Fittings	- 20% Reducing balance
Motor Vehicles	- 25% Reducing balance

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.

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

1. ACCOUNTING POLICIES *(continued)*

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.

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 directors consider 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.

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	2011
	£	£
United Kingdom	<u>15,217,634</u>	<u>12,224,190</u>

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

3. OTHER OPERATING INCOME

	2012	2011
	£	£
Rent receivable	25,561	51,558
Other operating income	1,758	3,607
	<u>27,319</u>	<u>55,165</u>

4. OPERATING PROFIT

Operating profit is stated after charging

	2012	2011
	£	£
Amortisation of intangible assets	5,000	5,000
Depreciation of owned fixed assets	42,734	45,546
Depreciation of assets held under hire purchase agreements	6,202	7,752
Loss on disposal of fixed assets	2,594	3,854
Auditor's remuneration		
- as auditor	12,000	13,760
Operating lease costs		
- Other	26,076	15,388

5. PARTICULARS OF EMPLOYEES

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

	2012	2011
	No	No
Number of distribution staff	33	26
Number of administrative staff	12	10
Number of management staff	6	6
	<u>51</u>	<u>42</u>

The aggregate payroll costs of the above were

	2012	2011
	£	£
Wages and salaries	1,081,506	961,099
Social security costs	88,589	83,980
	<u>1,170,095</u>	<u>1,045,079</u>

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Remuneration receivable	<u>97,488</u>	<u>134,153</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Interest payable on bank borrowing	884	224
Finance charges	—	292
	<u>884</u>	<u>516</u>

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012	2011
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 20% (2011 - 21%)	19,301	16,571
(Over)/under provision in prior year	<u>62</u>	<u>—</u>
Total current tax	<u>19,363</u>	<u>16,571</u>
Deferred tax		
Origination and reversal of timing differences	<u>2,717</u>	<u>(2,466)</u>
Tax on profit on ordinary activities	<u>22,080</u>	<u>14,105</u>

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

8. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2011 - 21%)

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>110,625</u>	<u>57,262</u>
Profit on ordinary activities by rate of tax	22,125	12,025
Expenses not deductible for tax purposes	271	2,081
Capital allowances for period in excess of depreciation	(3,095)	2,465
Adjustments to tax charge in respect of previous periods	<u>62</u>	<u>-</u>
Total current tax (note 8(a))	<u>19,363</u>	<u>16,571</u>

9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £32,000 (2011 - £Nil)

10. DIVIDENDS

Equity dividends

	2012 £	2011 £
Paid during the year		
Dividends on equity shares	<u>32,000</u>	<u>-</u>

11. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1st April 2011 and 31st March 2012	<u>100,000</u>
AMORTISATION	
At 1st April 2011	45,000
Charge for the year	5,000
At 31st March 2012	<u>50,000</u>
NET BOOK VALUE	
At 31st March 2012	<u>50,000</u>
At 31st March 2011	<u>55,000</u>

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

12. TANGIBLE FIXED ASSETS

Group	Freehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
At 1st April 2011	3,023,976	488,203	35,730	3,547,909
Additions	3,260	41,001	9,031	53,292
Disposals	—	—	(31,492)	(31,492)
At 31st March 2012	3,027,236	529,204	13,269	3,569,709
DEPRECIATION				
At 1st April 2011	21,185	291,315	23,362	335,862
Charge for the year	—	47,578	1,358	48,936
On disposals	—	—	(15,398)	(15,398)
At 31st March 2012	21,185	338,893	9,322	369,400
NET BOOK VALUE				
At 31st March 2012	3,006,051	190,311	3,947	3,200,309
At 31st March 2011	3,002,791	196,888	12,368	3,212,047

Hire purchase agreements

Included within the net book value of £3,200,309 is £24,806 (2011 - £31,008) 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 £6,202 (2011 - £7,752).

Company	Freehold Property £
COST	
At 1st April 2011 and 31st March 2012	115,000
DEPRECIATION	
At 1st April 2011 and 31st March 2012	—
NET BOOK VALUE	
At 31st March 2012	115,000
At 31st March 2011	115,000

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

13. INVESTMENTS

Company	Group companies £
COST	
At 1st April 2011 and 31st March 2012	<u>177</u>
NET BOOK VALUE	
At 31st March 2012 and 31st March 2011	<u>177</u>

The company owns 100% of the issued share capital of the companies listed below, except for Hannah Food Services Limited (75%)

	2012 £	2011 £
Aggregate capital and reserves		
R Hannah & Sons Limited	1,180,495	1,180,495
Hannah Food Services Limited (dormant)	68,378	68,378
Profit and (loss) for the year		
R Hannah & Sons Limited	110,625	57,261
Hannah Food Services Limited (dormant)	-	-

14. STOCKS

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Stock	<u>734,436</u>	<u>720,855</u>	<u>-</u>	<u>-</u>

15. DEBTORS

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	845,438	802,074	-	-
Amounts owed by group undertakings	-	16,624	291,090	291,190
VAT recoverable	9,820	7,513	-	-
Prepayments and accrued income	172,644	96,636	-	-
	<u>1,027,902</u>	<u>922,847</u>	<u>291,090</u>	<u>291,190</u>

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	134,097	134,886	-	-
Trade creditors	1,477,878	1,273,108	-	-
Amounts owed to group undertakings	39,453	-	-	-
Hire purchase agreements	10,434	12,943	-	-
Directors' loan accounts	108,022	48,325	-	-
Other creditors including taxation and social security				
Corporation tax	19,301	16,571	-	-
Other taxation and social security	22,418	-	-	-
Shares classed as financial liabilities	390,000	390,000	390,000	390,000
Accruals and deferred income	100,077	120,733	-	-
	<u>2,301,680</u>	<u>1,996,566</u>	<u>390,000</u>	<u>390,000</u>

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

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	1,632,811	1,736,408	-	-
Hire purchase agreements	-	10,583	-	-
	<u>1,632,811</u>	<u>1,746,991</u>	<u>-</u>	<u>-</u>

18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Amounts payable within 1 year	10,434	12,943	-	-
Amounts payable between 1 and 2 years	-	10,583	-	-
	<u>10,434</u>	<u>23,526</u>	<u>-</u>	<u>-</u>

19. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Provision brought forward	18,556	21,022	-	-
Increase/(Decrease) in provision	2,717	(2,466)	-	-
Provision carried forward	<u>21,273</u>	<u>18,556</u>	<u>-</u>	<u>-</u>

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

19. DEFERRED TAXATION *(continued)*

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

Group	2012		2011	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of taxation allowances over depreciation on fixed assets	<u>21,273</u>	<u>-</u>	<u>18,556</u>	<u>-</u>

20. DERIVATIVES

The company has none

21. RELATED PARTY TRANSACTIONS

The company was under the control of Mr G Hannah and Mr S Hannah throughout the current year

As at 31 March 2012, Hannah Holdings Limited was owed £291,090(2010 £291,190) by R Hannah & Sons Limited, a 100% owned Subsidiary company

22. SHARE CAPITAL

Authorised share capital:

	2012 £	2011 £
1,000 Ordinary shares of £1 each	1,000	1,000
390,000 Preference shares of £1 each	<u>390,000</u>	<u>390,000</u>
	<u>391,000</u>	<u>391,000</u>

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
100 Ordinary shares of £1 each	100	100	100	100
390,000 Preference shares of £1 each	<u>390,000</u>	<u>390,000</u>	<u>390,000</u>	<u>390,000</u>
	<u>390,100</u>	<u>390,100</u>	<u>390,100</u>	<u>390,100</u>

Amounts presented in equity:

	2012 £	2011 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Amounts presented in liabilities:

	2012	2011
390,000 Preference shares of £1 each	<u>390,000</u>	<u>390,000</u>

HANNAH HOLDINGS LIMITED - GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

22. SHARE CAPITAL *(continued)*

The preference shares have a right to a fixed cumulative preference dividend of 6% per annum. The Preference shares are non-voting and have no rights on winding up other than to be redeemed at par prior to any distribution to the ordinary shareholders. The Preference shares are redeemable after 10 August 2010 at the directors' discretion.

23. RESERVES

Group	Profit and loss account £
Balance brought forward	1,198,119
Profit for the year	88,545
Equity dividends	(32,000)
Balance carried forward	<u>1,254,664</u>
Company	Profit and loss account £
Balance brought forward	16,267
Profit for the year	32,000
Equity dividends	(32,000)
Balance carried forward	<u>16,267</u>

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Profit for the financial year	88,545	43,157
Equity dividends	(32,000)	—
Net addition to shareholders' funds	56,545	43,157
Opening shareholders' funds	1,198,219	1,155,062
Closing shareholders' funds	<u>1,254,764</u>	<u>1,198,219</u>