Registered number: 05896721

COUNTERLINE HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

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COUNTERLINE HOLDINGS LIMITED

COMPANY INFORMATION

Directors	S Dutton T J C Flood A Perry
Company secretary	S Dutton
Registered number	05896721
Registered office	Unit 12 Randles Road Knowsley Business Park Merseyside L34 9HZ
Independent auditors	BDO LLP 5 Temple Square Temple Street Liverpool L2 5RH
Bankers	National Westminster Bank Plc 28 Castle Street Liverpool L2 0UP

COUNTERLINE HOLDINGS LIMITED

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COUNTERLINE HOLDINGS LIMITED

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2014

Principal activities

The principal activity of the group and its subsidiary in the year under review was that of the manufacture of food service counters and displays.

Business review

Sales Turnover for the financial year increased to £11,542,337 (2013: £9,817,442) as the company and its subsidiary put greater focus on core activities compared with the previous year and took advantage of export opportunities. Whilst doing so investment in its existing standard product range and further research and development on new products has continued and has ensured the company remains market leader in its sector.

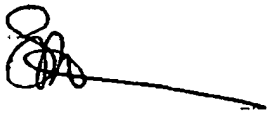
The Gross Margin percentage has remained consistent with the prior year at 34% (2013: 34.0%).

Future developments

Since the balance sheet date the directors continue to be confident about the increasing strength of the business, its strategic direction and market leading position.

This report was approved by the board on 11th March 2015 and signed on its behalf.

Director



DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The directors present their report and the financial statements for the year ended 30 June 2014.

Principal activities

The principal activity of the group and its subsidiary in the year under review was that of the manufacture of food service counters and displays.

Business review

The review for the year, previously included in the Directors' Report can now be found within the Strategic Report for the year ended 30 June 2014, shown in page 1.

Results and dividends

The profit for the year, after taxation, amounted to £230,046 (2013 - £123,648).

No dividends will be distributed for the year ended 30 June 2014.

Directors

The directors who served during the year were:

S Dutton
T J C Flood
A Perry

Political and charitable contributions

Charitable donations amounting to £1,180 were made during the year to 30 June 2014 (2013: £80).

Financial instruments

The group's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the company's operations.

Price risk
The group manufactures food service display equipment and bespoke food service food counters. In the current global recession the market has inevitably shrunk and the company has operated in an increasingly price sensitive environment. This risk is managed by careful assessment of competitive advantage, added value, diversification and keeping internal costs to a managed minimum so as to remain competitive.

Liquidity risk
The group's liquidity risk is managed by ensuring sufficient funds are available to meet amounts due and the board of directors does not consider that liquidity poses a significant risk.

Interest rate and cashflow
The group maintains favourable cash balances and the board does not consider that interest rate variations or cashflow poses a significant risk.

Credit risk
Credit control is maintained to ensure that debtors pay within agreed terms. Continual assessment is made with regard to customer financial strength and amounts outstanding for credit time and limit. Although the company has not experienced significant bad debt, careful credit control will remain in place to limit future exposure.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2014

Research and development activities

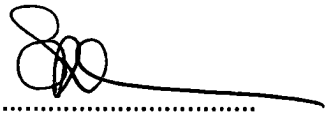
The group will continue its policy of investment in research and development in order to retain a competitive position in the market.

Provision of information to auditors

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

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

This report was approved by the board on 11th March 2015 and signed on its behalf.



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S Dutton
Secretary

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, 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 group and company 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 group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COUNTERLINE HOLDINGS LIMITED

We have audited the financial statements of Counterline Holdings Limited for the year ended 30 June 2014 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement, the consolidated statement of total recognised gains and losses, the consolidated note of historical cost profits and losses 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COUNTERLINE HOLDINGS LIMITED

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.

BDO LLP

Brian Ricketts (Senior statutory auditor)
For and on behalf of BDO LLP, Statutory auditor
Liverpool, UK
16 March 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 £	2013 £
TURNOVER	1,2	**11,542,337**	9,817,442
Cost of sales		**(7,623,011)**	(6,482,294)
GROSS PROFIT		**3,919,326**	3,335,148
Distribution costs		**(216,738)**	(142,730)
Administrative expenses		**(3,507,145)**	(3,051,563)
OPERATING PROFIT	3	**195,443**	140,855
Interest payable and similar charges	6	**(55,417)**	(126,620)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**140,026**	14,235
Tax on profit on ordinary activities	7	**90,020**	109,413
PROFIT FOR THE FINANCIAL YEAR	17	**230,046**	123,648

All amounts relate to continuing operations.

The notes on pages 12 to 27 form part of these financial statements.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 JUNE 2014

	2014 £	2013 £
PROFIT FOR THE FINANCIAL YEAR	**230,046**	123,648
Unrealised surplus on revaluation of tangible fixed assets	**25,304**	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	**255,350**	123,648

NOTE OF CONSOLIDATED HISTORICAL COST PROFITS AND LOSSES FOR THE YEAR ENDED 30 JUNE 2014

	2014 £	2013 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	**140,026**	14,235
Realisation of valuation gains of previous periods	**4,099**	4,099
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	**144,125**	18,334
HISTORICAL PROFIT FOR THE YEAR AFTER TAXATION	**234,145**	127,747

The notes on pages 12 to 27 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Intangible assets	8		**1,212,356**		1,320,511
Tangible assets	9		**1,362,210**		1,186,094
			2,574,566		2,506,605
CURRENT ASSETS					
Stocks	11	**1,506,498**		1,006,692	
Debtors	12	**2,315,542**		2,487,044	
Cash at bank		**227,580**		208,326	
		4,049,620		3,702,062	
CREDITORS: amounts falling due within one year	13	**(3,915,727)**		(3,771,453)	
NET CURRENT ASSETS/(LIABILITIES)			**133,893**		(69,391)
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,708,459**		2,437,214
CREDITORS: amounts falling due after more than one year	14		**(753,384)**		(672,287)
PROVISIONS FOR LIABILITIES					
Deferred tax	15		**(1,906)**		(49,707)
NET ASSETS			**1,953,169**		1,715,220
CAPITAL AND RESERVES					
Called up share capital	16		**120,000**		130,002
Revaluation reserve	17		**209,744**		188,539
Capital redemption reserve	17		**57,777**		47,775
Profit and loss account	17		**1,565,648**		1,348,904
SHAREHOLDERS' FUNDS	18		**1,953,169**		1,715,220

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

11 March 2015

.....
S Dutton
Director

.....
T J C Flood
Director

The notes on pages 12 to 27 form part of these financial statements.

COUNTERLINE HOLDINGS LIMITED
REGISTERED NUMBER: 05896721

COMPANY BALANCE SHEET
AS AT 30 JUNE 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Investments	10		**2,302,065**		2,302,065
CURRENT ASSETS					
Debtors	12	-		2,755	
Cash at bank		-		3,148	
		-		5,903	
CREDITORS: amounts falling due within one year	13	**(1,869,071)**		(1,895,697)	
NET CURRENT LIABILITIES			**(1,869,071)**		(1,889,794)
TOTAL ASSETS LESS CURRENT LIABILITIES			**432,994**		412,271
CREDITORS: amounts falling due after more than one year	14		**(106,200)**		(142,200)
NET ASSETS			**326,794**		270,071
CAPITAL AND RESERVES					
Called up share capital	16		**120,000**		130,002
Capital redemption reserve	17		**57,777**		47,775
Profit and loss account	17		**149,017**		92,294
SHAREHOLDERS' FUNDS	18		**326,794**		270,071

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

21 March 2015

.....
S Dutton
Director

.....
T J C Flood
Director

The notes on pages 12 to 27 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	19	**334,669**	708,038
Returns on investments and servicing of finance	20	**(55,417)**	(122,790)
Capital expenditure and financial investment	20	**(39,986)**	20,637
CASH INFLOW BEFORE FINANCING		**239,266**	605,885
Financing	20	**(246,834)**	(381,787)
(DECREASE)/INCREASE IN CASH IN THE YEAR		**(7,568)**	224,098

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 30 JUNE 2014

	2014 £	2013 £
(Decrease)/Increase in cash in the year	**(7,568)**	224,098
Cash outflow from decrease in debt and lease financing	**249,397**	329,288
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	**241,829**	553,386
Other non-cash changes	**(231,509)**	(69,230)
	-	-
MOVEMENT IN NET DEBT IN THE YEAR	**10,320**	484,156
Net debt at 1 July 2013	**(2,467,118)**	(2,951,274)
NET DEBT AT 30 JUNE 2014	**(2,456,798)**	(2,467,118)

The notes on pages 12 to 27 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable accounting standards.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Counterline Holdings Limited and its subsidiary undertaking, Counterline Limited.

1.3 Turnover

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

1.4 Intangible fixed assets and amortisation

Goodwill, being the amount paid in connection with the acquisition of a business in 2005, and development costs, are being amortised evenly over its estimated useful life of ten years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	2% straight line basis
Plant & machinery	-	10% reducing balance basis
Motor vehicles	-	25% reducing balance basis
Fixtures & fittings	-	20% reducing balance basis
Computer equipment	-	33% straight line basis

1.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the profit and loss account.

1.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1. ACCOUNTING POLICIES (continued)

1.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods

The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

1.9 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Stocks

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

1.11 Deferred taxation

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

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

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

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

Deferred tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1. ACCOUNTING POLICIES (continued)

1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.13 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

1.14 Pensions

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

2. TURNOVER

A geographical analysis of turnover is as follows:

	2014	2013
	£	£
United Kingdom	**9,578,731**	8,530,143
Rest of European Union	**1,835,928**	941,158
Rest of world	**127,678**	346,141
	11,542,337	9,817,442

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Amortisation - intangible fixed assets	**105,894**	105,894
Depreciation of tangible fixed assets:		
- owned by the group	**51,320**	46,773
- held under finance leases	**74,399**	89,556
Auditors' remuneration	**14,000**	13,150
Operating lease rentals:		
- plant and machinery	**38,287**	4,622
- other operating leases	**94,551**	72,911
Difference on foreign exchange	**-**	254
Amortisation of deferred research and development expenditure	**2,261**	2,261
Loss on disposal of fixed assets	**11,003**	29,655
Hire of plant and machinery	**12,514**	13,738

Auditors fees for the company were £3,500 (2013 - £3,150)

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	**4,011,028**	3,275,679
Social security costs	**399,240**	296,784
Other pension costs	**39,219**	17,433
	4,449,487	3,589,896

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

	2014 No.	2013 No.
Directors	**3**	3
Office	**57**	45
Production	**97**	90
	157	138

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

5. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	**306,194**	298,227
Company pension contributions to defined contribution pension schemes	**24,000**	-

During the year retirement benefits were accruing to 3 directors (2013 - NIL) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £103,052 (2013 - £103,561).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,000 (2013 - £NIL).

6. INTEREST PAYABLE

	2014 £	2013 £
On bank loans and overdrafts	**25,824**	40,005
On other loans	**17,161**	10,595
On finance leases and hire purchase contracts	**17,316**	24,127
Other interest payable	**(4,884)**	51,893
	55,417	126,620

7. TAXATION

	2014 £	2013 £
Analysis of tax credit in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	**-**	42,219
Adjustments in respect of prior periods	**(42,219)**	(110,755)
Total current tax	**(42,219)**	(68,536)
Deferred tax		
Origination and reversal of timing differences	**(10,734)**	(40,877)
Adjustments in respect of prior years	**(37,067)**	-
Total deferred tax (see note 15)	**(47,801)**	(40,877)
Tax on profit on ordinary activities	**(90,020)**	(109,413)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

7. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 22.50% (2013 - 23.75%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	**140,026**	14,235
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.50% (2013 - 23.75%)	**31,509**	3,381
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**21,576**	22,775
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**14,190**	(1,654)
Capital allowances for year in excess of depreciation	**(43,197)**	21,961
Adjustments to tax charge in respect of prior periods	**(42,219)**	(110,755)
Short term timing difference leading to an increase (decrease) in taxation	**4,206**	5,011
Current year over/(under) provision	**-**	(2,016)
Non-taxable income	**(2,759)**	(2,912)
Unrelieved tax losses and other deductions arising in the period	**265**	-
Fixed asset differences	**14,261**	3,956
Timing difference between effective and actual rate	**-**	(4,500)
Other differences leading to an increase (decrease) in the tax charge	**-**	346
Marginal relief	**-**	(4,129)
Additional deduction for R&D expenditure	**(40,051)**	-
Current tax credit for the year (see note above)	**(42,219)**	(68,536)

8. INTANGIBLE FIXED ASSETS

Group	Develop-ment £	Goodwill £	Total £
Cost			
At 1 July 2013 and 30 June 2014	**22,612**	**2,017,870**	**2,040,482**
Amortisation			
At 1 July 2013	**15,827**	**704,144**	**719,971**
Charge for the year	**2,261**	**105,894**	**108,155**
At 30 June 2014	**18,088**	**810,038**	**828,126**
Net book value			
At 30 June 2014	**4,524**	**1,207,832**	**1,212,356**
At 30 June 2013	6,785	1,313,726	1,320,511

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

9. TANGIBLE FIXED ASSETS

Group	L/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Computer equipment £
Cost or valuation				
At 1 July 2013	**836,540**	**366,276**	**463,214**	**173,758**
Additions	**43,775**	**228,152**	**12,016**	**3,591**
Disposals	**-**	**-**	**(31,190)**	**-**
Revaluation surplus/(deficit)	**25,304**	**-**	**-**	**-**
At 30 June 2014	**905,619**	**594,428**	**444,040**	**177,349**
Depreciation				
At 1 July 2013	**108,694**	**161,676**	**231,453**	**151,871**
Charge for the year	**16,925**	**35,041**	**62,107**	**11,646**
On disposals	**-**	**-**	**(20,187)**	**-**
At 30 June 2014	**125,619**	**196,717**	**273,373**	**163,517**
Net book value				
At 30 June 2014	**780,000**	**397,711**	**170,667**	**13,832**
At 30 June 2013	727,846	204,600	231,761	21,887

Group	Total £
Cost or valuation	
At 1 July 2013	**1,839,788**
Additions	**287,534**
Disposals	**(31,190)**
Revaluation surplus/(deficit)	**25,304**
At 30 June 2014	**2,121,436**
Depreciation	
At 1 July 2013	**653,694**
Charge for the year	**125,719**
On disposals	**(20,187)**
At 30 June 2014	**759,226**
Net book value	
At 30 June 2014	**1,362,210**
At 30 June 2013	1,186,094

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

9. TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2014 £	2013 £
Land and buildings	**42,736**	-
Motor vehicles	**161,231**	187,015
Furniture, fittings and equipment	**208,175**	4,925
	412,142	191,940

Cost and valuation at 30 June 2014 is as follows:

Group	Land and buildings £
At cost	**675,381**
At valuation:	
Open market valuation on the 24 September 2014 by Mason Owen and Partners Limited	**230,238**
	905,619

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

Group	2014 £	As restated 2013 £
Cost	**675,381**	631,606
Accumulated depreciation	**(105,843)**	(92,335)
Net book value	**569,538**	539,271

10. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the company:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

10. FIXED ASSET INVESTMENTS (continued)

Company	Investments in subsidiary companies £
Cost	
At 1 July 2013 and 30 June 2014	**2,302,065**
Net book value	
At 30 June 2014	**2,302,065**
At 30 June 2013	2,302,065

11. STOCKS

	Group		Company	
	2014 £	2013 £	**2014** £	2013 £
Raw materials	**621,780**	553,851	**-**	-
Work in progress	**540,814**	250,843	**-**	-
Finished goods and goods for resale	**343,904**	201,998	**-**	-
	1,506,498	1,006,692	**-**	-

12. DEBTORS

	Group		Company	
	2014 £	2013 £	**2014** £	2013 £
Trade debtors	**2,193,227**	2,344,251	**-**	-
Other debtors	**-**	2,755	**-**	2,755
Prepayments and accrued income	**122,315**	140,038	**-**	-
	2,315,542	2,487,044	**-**	2,755

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

13. CREDITORS:
Amounts falling due within one year

	Group		Company	
	2014	2013	**2014**	2013
	£	£	**£**	£
Bank loans and overdrafts	**26,787**	131,862	**89**	78,125
Net obligations under finance leases and hire purchase contracts	**105,553**	99,373	**-**	-
Trade creditors	**1,556,329**	1,254,509	**-**	-
Amounts owed to group undertakings	**1**	-	**1,863,010**	1,796,852
Corporation tax	**-**	42,219	**-**	-
Other taxation and social security	**266,784**	351,165	**-**	-
Proceeds of factored debts	**1,798,654**	1,771,921	**-**	-
Other creditors	**21,100**	34,962	**-**	13,799
Accruals and deferred income	**140,519**	85,442	**5,972**	6,921
	3,915,727	3,771,453	**1,869,071**	1,895,697

The bank loan, invoice finance facility and the bank guaranteed loan notes are secured by way of a debenture creating a first legal charge over the company's and its subsidiary's current and future assets as well as the director's guarantee of postponement of their loan creditors.

The proceeds of factored debts relate to a facility with RBS Invoice Finance Limited which is secured against trade debtors of £2,193,227 (2013: £2,344,251) disclosed in note 12 to the financial statements.

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

	Group		Company	
	2014	2013	**2014**	2013
	£	£	**£**	£
Bank loans	**465,749**	468,675	**-**	-
Net obligations under finance leases and hire purchase contracts	**181,435**	61,412	**-**	-
Other creditors	**106,200**	142,200	**106,200**	142,200
	753,384	672,287	**106,200**	142,200

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

14. CREDITORS:
Amounts falling due after more than one year (continued)

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	Group		Company	
	2014	2013	**2014**	2013
	£	£	**£**	£
Between one and five years	**181,435**	61,412	**-**	-

The bank loan, invoice finance facility and the bank guaranteed loan notes are secured by way of a debenture creating a first legal charge over the company's and its subsidiary's current and future assets as well as the director's guarantee of postponement of their loan creditors.

The hire purchase liability is secured against the relevant assets of the company.

Included within other creditors falling due after more than one year, are amounts owing to the directors. Interest accrues on the outstanding balance at 7% per annum.

15. DEFERRED TAXATION

	Group		Company	
	2014	2013	**2014**	2013
	£	£	**£**	£
At beginning of year	**49,707**	90,584	**-**	-
(Released during)/charge for the year (P&L)	**(47,801)**	(40,877)	**-**	-
At end of year	**1,906**	49,707	**-**	-

The provision for deferred taxation is made up as follows:

	Group		Company	
	2014	2013	**2014**	2013
	£	£	**£**	£
Accelerated capital allowances	**92,378**	49,707	**-**	-
Short term timing differences	**(4,659)**	-	**-**	-
Tax losses carried forward	**(85,813)**	-	**-**	-
	1,906	49,707	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

16. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
120,000 (2013 - 130,002) Called up Share Capital shares of £1 each	**120,000**	130,002

On 18 October 2012 the company resolved to repurchase 40,000 £1 ordinary shares for total consideration of £70,000 due to one of the existing shareholders wishing to sell their stake in the company. During the year ending 30 June 2014 a total of 10,002 ordinary £1 shares were acquired for consideration of £17,401. As at 30 June 2014, no shares were yet to be acquired. The shares included in the agreement represent 25% of the total share capital of the company.

17. RESERVES

Group	Capital redempt'n reserve £	Revaluation reserve £	Profit and loss account £
At 1 July 2013	**47,775**	**188,539**	**1,348,904**
Profit for the financial year			**230,046**
Purchase of own shares			**(17,401)**
Surplus on revaluation of leasehold property		**25,304**	
Transfer between Revaluation reserve and P/L account		**(4,099)**	**4,099**
Transfer on purchase of own shares	**10,002**		
At 30 June 2014	**57,777**	**209,744**	**1,565,648**

Company	Capital redempt'n reserve £	Profit and loss account £
At 1 July 2013	**47,775**	**92,294**
Profit for the financial year		**74,124**
Purchase of own shares		**(17,401)**
Transfer on purchase of own shares	**10,002**	
At 30 June 2014	**57,777**	**149,017**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	2014 £	2013 £
Opening shareholders' funds	**1,715,220**	1,644,071
Profit for the financial year	**230,046**	123,648
Shares redeemed/cancelled during the year	**(17,401)**	(52,499)
Other recognised gains and losses during the year	**25,304**	-
Closing shareholders' funds	**1,953,169**	1,715,220

Company	2014 £	2013 £
Opening shareholders' funds	**270,071**	253,439
Profit for the financial year	**74,124**	69,131
Shares redeemed/cancelled during the year	**(17,401)**	(52,499)
Closing shareholders' funds	**326,794**	270,071

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

The profit for the year dealt with in the accounts of the company was £74,124 (2013 - profit £69,131).

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	**195,443**	140,855
Amortisation of intangible fixed assets	**108,155**	108,155
Depreciation of tangible fixed assets	**125,719**	136,329
Loss on disposal of tangible fixed assets	**11,003**	29,655
(Increase)/decrease in stocks	**(499,806)**	173,266
Decrease in debtors	**171,501**	173,907
Increase/(decrease) in creditors	**222,654**	(54,129)
Net cash inflow from operating activities	**334,669**	708,038

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	**73,883**	-
Interest paid on bank and other loans	**(111,984)**	(98,663)
Hire purchase interest	**(17,316)**	(24,127)
Net cash outflow from returns on investments and servicing of finance	**(55,417)**	(122,790)

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	**(39,986)**	(27,295)
Sale of tangible fixed assets	**-**	47,932
Net cash (outflow)/inflow from capital expenditure	**(39,986)**	20,637

	2014 £	2013 £
Financing		
Purchase of ordinary shares	**(17,399)**	(52,499)
Repayment of loans	**(108,090)**	(169,305)
Repayment of finance leases	**(121,345)**	(159,983)
Net cash outflow from financing	**(246,834)**	(381,787)

21. ANALYSIS OF CHANGES IN NET DEBT

	1 July 2013 £	Cash flow £	Other non-cash changes £	30 June 2014 £
Cash at bank and in hand	**208,326**	**19,254**	**-**	**227,580**
Bank overdraft	**-**	**(89)**	**-**	**(89)**
Proceeds of factored debts	**(1,771,921)**	**(26,733)**	**-**	**(1,798,654)**
	(1,563,595)	**(7,568)**	**-**	**(1,571,163)**
Debt:				
Finance leases	**(160,786)**	**105,308**	**(231,510)**	**(286,988)**
Debts due within one year	**(131,862)**	**108,089**	**(2,925)**	**(26,698)**
Debts falling due after more than one year	**(610,875)**	**36,000**	**2,926**	**(571,949)**
Net debt	**(2,467,118)**	**241,829**	**(231,509)**	**(2,456,798)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

22. CONTINGENT LIABILITIES

There is an unlimited intercompany guarantee dated 24 February 2010 in favour of National Westminster Bank plc between Counterline Holdings Limited and Counterline Limited.

National Westminster Bank plc holds a legal charge dated 26 February 2010 over the property of the company, Unit 12, Randles Road, Knowsley Business Park, Prescot, Merseyside, L34 9HZ.

National Westminster Bank plc hold a debenture dated 24 February 2010 over all the assets of the company.

23. PENSION COMMITMENTS

The group makes contributions to a group personal pension plan. The pension cost charge represents contributions payable by the group to the scheme and amounted to £39,219 (2013 - £19,903).

Contributions totalling £nil (2013 - £nil) were payable to the fund at the balance sheet date.

24. OPERATING LEASE COMMITMENTS

At 30 June 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	**2014**	2013
Group	**£**	£	**£**	£
Expiry date:				
Within 1 year	**4,129**	3,096	**-**	-
Between 2 and 5 years	**-**	-	**44,770**	15,390
After more than 5 years	**45,000**	45,000	**-**	-

25. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under FRS 8 not to disclose transactions with wholly owned subsidiary undertakings.

Med Innovations and Consulting Limited, a company incorporated in September 2011 is under common control. During the period expenses were incurred on behalf of the company of £3,306. The amount has been provided against as at 30 June 2014.

As security for the bank loans of the entity the directors have agreed to postpone the receipt of their loan account creditors.

26. CONTROLLING PARTY

On the 20 December 2006, Counterline Holdings Limited acquired 100% of the share capital of Counterline Limited, a company registered in England and Wales.

During the year the company was controlled by Mr T Flood, Mr A Perry, Mr S Dutton.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

27. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Counterline Limited	England and Wales	100	The principal activity of the company is that of the manufacture of food service counters and displays.