

Report of the Directors and
Consolidated Financial Statements
for the Year Ended 30 June 2012
for
Nutrition Group plc

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Nutrition Group plc (Registered number: 06450521)

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for the Year Ended 30 June 2012

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Nutrition Group plc
Company Information
for the Year Ended 30 June 2012

DIRECTORS:	Mr P Greathead Mrs S Gill Mr R L Greathead Mr J H Smith
SECRETARY:	Mrs S Gill
REGISTERED OFFICE:	316 Blackpool Road Fulwood Preston Lancashire PR2 3AE
REGISTERED NUMBER:	06450521 (England and Wales)
AUDITORS:	McDade Roberts Accountants Limited Chartered Accountants and Statutory Auditor 316 Blackpool Road Fulwood Preston Lancashire PR2 3AE

Report of the Directors
for the Year Ended 30 June 2012

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2012

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the manufacture and sale of healthfood products.

REVIEW OF BUSINESS

Performance in the year

Despite the continuing worldwide economic crisis, the Group has made significant progress during the year, recording a 10% increase in turnover and a very pleasing 38% increase in pre tax earnings. This has resulted in retained earnings after tax and dividends of £875,530. The Group continues to be vigilant in controlling costs and is continually seeking new sales opportunities to improve performance still further.

Position at the year end

The Group anticipates further growth in the coming year and the first quarter figures are reflective of that anticipation. To meet demand, further investment in capital equipment will be undertaken. This investment should result in further efficiency, greater production capacity and assist in ensuring timely customer deliveries. Customer satisfaction remains the priority of the business.

Principal risk and uncertainties

The worldwide economic crisis has a material impact upon the retail sector which ultimately, is the Group's sales outlet. This continuing crisis is therefore the most significant risk to which the business is exposed. There has been a pleasing diversification in the customer base over the past year and further opportunities continue to arise to spread the customer base still wider. The Group is continually looking to increase its offer in terms of manufactured product and ongoing research and development ensure that the business is able to provide its customers with a regularly updated range. Other manufacturing opportunities continue to be considered in order to diversify the customer base still further. These proactive steps should ensure that, despite the difficult economic times, exposure to the uncertainties of the world economy is minimised.

The Group maintains a strategy of strong management supported by stringent quality procedures, consistent with its quality assurance and licensing requirements. Any material changes in the business environment are reacted to in a timely and positive manner. Accordingly, the effect of business risk is minimised.

DIVIDENDS

Interim dividends per share were paid as follows

Ordinary Shares

£0.045	- 30 April 2012
£0.045	- 25 May 2012
£0.045	- 22 June 2012

£0.135

Ordinary A Shares

£0.40	- 30 April 2012
£0.40	- 25 May 2012
£0.40	- 22 June 2012

£1.20

Report of the Directors
for the Year Ended 30 June 2012

Ordinary B Shares

£0 40	- 30 April 2012
£0 40	- 25 May 2012
£0 40	- 22 June 2012
£1 20	

The directors recommend that no final dividend be paid

The total distribution for the year ended 30 June 2012 will be £66,000

DIRECTORS

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

Mr P Greathead
Mrs S Gill
Mr R L Greathead
Mr J H Smith

GROUP'S POLICY ON PAYMENT OF CREDITORS

The group makes payments to suppliers as and when due. All suppliers terms are agreed individually. The average creditor days at 30 June 2012 was 60 days.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Report of the Directors
for the Year Ended 30 June 2012

AUDITORS

The auditors, McDade Roberts Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:



Mr P Greathead - Director

19 October 2012

Report of the Independent Auditors to the Members of
Nutrition Group plc

We have audited the financial statements of Nutrition Group plc for the year ended 30 June 2012 on pages six to twenty two. 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 a Report of the Auditors 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 set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors 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 of the parent company's affairs as at 30 June 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.

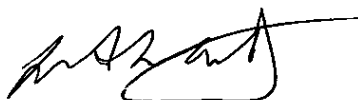
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



James Roberts FCA (Senior Statutory Auditor)
for and on behalf of McDade Roberts Accountants Limited
Chartered Accountants and Statutory Auditor
316 Blackpool Road
Fulwood
Preston
Lancashire
PR2 3AE

19 October 2012

Nutrition Group plc (Registered number: 06450521)

Consolidated Profit and Loss Account
for the Year Ended 30 June 2012

	Notes	30 6 12 £	30 6 11 £
TURNOVER		8,843,788	8,045,215
Cost of sales		5,974,972	5,413,933
GROSS PROFIT		2,868,816	2,631,282
Administrative expenses		1,707,192	1,783,790
OPERATING PROFIT	3	1,161,624	847,492
Interest receivable and similar income		-	2
		1,161,624	847,494
Interest payable and similar charges	4	72,693	59,932
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,088,931	787,562
Tax on profit on ordinary activities	5	147,401	214,206
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		941,530	573,356
Earnings per share expressed in pence per share	8		
Basic		188.31	114.67
Diluted		188.31	114.67

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

Nutrition Group plc (Registered number: 06450521)

Consolidated Balance Sheet

30 June 2012

	Notes	30 6 12		30 6 11	
		£	£	£	£
FIXED ASSETS					
Intangible assets	9		100,771		118,238
Tangible assets	10		986,559		980,067
Investments	11		-		-
			<u>1,087,330</u>		<u>1,098,305</u>
CURRENT ASSETS					
Stocks	12	1,370,507		937,141	
Debtors	13	2,750,654		2,241,171	
Cash at bank and in hand		783,206		318,986	
		<u>4,904,367</u>		<u>3,497,298</u>	
CREDITORS					
Amounts falling due within one year	14	3,838,042		3,270,084	
NET CURRENT ASSETS			<u>1,066,325</u>		<u>227,214</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,153,655</u>		<u>1,325,519</u>
CREDITORS					
Amounts falling due after more than one year	15		(187,717)		(228,743)
PROVISIONS FOR LIABILITIES	19		(92,182)		(98,550)
NET ASSETS			<u><u>1,873,756</u></u>		<u><u>998,226</u></u>
CAPITAL AND RESERVES					
Called up share capital	20		50,000		50,000
Profit and loss account	21		1,823,756		948,226
SHAREHOLDERS' FUNDS	24		<u><u>1,873,756</u></u>		<u><u>998,226</u></u>

The financial statements were approved by the Board of Directors on 19 October 2012 and were signed on its behalf by



Mr P Greathead - Director

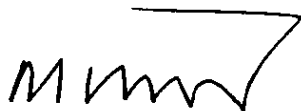
The notes form part of these financial statements

Company Balance Sheet
30 June 2012

	Notes	30 6 12 £	£	30 6 11 £	£
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		-		-
Investments	11		50,000		50,000
			<u>50,000</u>		<u>50,000</u>
CURRENT ASSETS					
Debtors	13	200,000		120,000	
Cash at bank		<u>1,034</u>		<u>1,024</u>	
		201,034		121,024	
CREDITORS					
Amounts falling due within one year	14	<u>105,995</u>		<u>108,956</u>	
NET CURRENT ASSETS			<u>95,039</u>		<u>12,068</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>145,039</u>		<u>62,068</u>
CAPITAL AND RESERVES					
Called up share capital	20		50,000		50,000
Profit and loss account	21		<u>95,039</u>		<u>12,068</u>
SHAREHOLDERS' FUNDS	24		<u>145,039</u>		<u>62,068</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 19 October 2012 and were signed on its behalf by



Mr P Greathead - Director

The notes form part of these financial statements

**Consolidated Cash Flow Statement
for the Year Ended 30 June 2012**

	Notes	30 6 12	30 6 11
		£	£
Net cash inflow from operating activities	1	1,019,831	902,256
Returns on investments and servicing of finance	2	(72,693)	(59,930)
Taxation		(132,715)	(129,022)
Capital expenditure	2	(155,279)	(202,318)
Equity dividends paid		(66,000)	(172,500)
		<u>593,144</u>	<u>338,486</u>
Management of liquid resources	2	(46,701)	(46,039)
Financing	2	(82,223)	88,189
Increase in cash in the period		<u>464,220</u>	<u>380,636</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		464,220	380,636
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(56,798)</u>	<u>30,095</u>
Change in net debt resulting from cash flows		<u>407,422</u>	<u>410,731</u>
Movement in net debt in the period		407,422	410,731
Net debt at 1 July		<u>(91,495)</u>	<u>(502,226)</u>
Net funds/(debt) at 30 June		<u>315,927</u>	<u>(91,495)</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 June 2012**

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

	30 6 12	30 6 11
	£	£
Operating profit	1,161,624	847,492
Depreciation charges	166,254	168,574
Profit on disposal of fixed assets	-	(4,000)
(Increase)/decrease in stocks	(433,366)	371,749
Increase in debtors	(493,475)	(29,704)
Increase/(decrease) in creditors	618,794	(451,855)
Net cash inflow from operating activities	<u>1,019,831</u>	<u>902,256</u>

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

	30 6 12	30 6 11
	£	£
Returns on investments and servicing of finance		
Interest received	-	2
Interest paid	(20,353)	(23,541)
Interest element of hire purchase payments	(52,340)	(36,391)
Net cash outflow for returns on investments and servicing of finance	<u>(72,693)</u>	<u>(59,930)</u>
Capital expenditure		
Purchase of tangible fixed assets	(155,279)	(212,168)
Sale of tangible fixed assets	-	9,850
Net cash outflow for capital expenditure	<u>(155,279)</u>	<u>(202,318)</u>
Management of liquid resources		
Loans repaid	(46,701)	(46,039)
Net cash outflow from management of liquid resources	<u>(46,701)</u>	<u>(46,039)</u>
Financing		
Capital repayments in year	103,499	15,944
Amount withdrawn by directors	(185,722)	72,245
Net cash (outflow)/inflow from financing	<u>(82,223)</u>	<u>88,189</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 June 2012**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1.7 11 £	Cash flow £	At 30.6.12 £
Net cash			
Cash at bank and in hand	318,986	464,220	783,206
	<u>318,986</u>	<u>464,220</u>	<u>783,206</u>
Debt			
Hire purchase	(267,127)	(103,499)	(370,626)
Debts falling due within one year	(25,000)	(16,653)	(41,653)
Debts falling due after one year	(118,354)	63,354	(55,000)
	<u>(410,481)</u>	<u>(56,798)</u>	<u>(467,279)</u>
Total	<u>(91,495)</u>	<u>407,422</u>	<u>315,927</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the Year Ended 30 June 2012

1 ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

All the subsidiary undertakings detailed in note 11 are included within the consolidated accounts

Turnover

Turnover is the amount derived from ordinary activities, and stated after trade discounts, other sales taxes and net of VAT

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2008, is being amortised evenly over its estimated useful life of ten years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Plant and machinery	- 20% on reducing balance and 15% on reducing balance
Fixtures and fittings	- 20% on reducing balance and 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

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 items

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Research and development

Expenditure on research and development is written off in the year in which it is incurred

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate

2 STAFF COSTS

	30 6 12	30 6 11
	£	£
Wages and salaries	1,495,134	1,522,155
Social security costs	22,347	21,032
Other pension costs	-	(417)
	<u>1,517,481</u>	<u>1,542,770</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012**

2 STAFF COSTS - continued

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

	30 6 12	30 6 11
Management	12	12
Administration and sales	14	15
Production	47	48
	<u>73</u>	<u>75</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	30 6 12	30 6 11
	£	£
Hire of plant and machinery	32,309	49,072
Other operating leases	200	(1,038)
Depreciation - owned assets	148,787	151,107
Profit on disposal of fixed assets	-	(4,000)
Goodwill amortisation	17,467	17,467
Auditors' remuneration	6,550	6,550
	<u>194,241</u>	<u>191,234</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30 6 12	30 6 11
	£	£
Bank interest	837	2,041
Loan	19,516	21,500
Hire purchase	52,340	36,391
	<u>72,693</u>	<u>59,932</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	30 6 12	30 6 11
	£	£
Current tax		
UK corporation tax	219,265	198,517
Under/over provision in previous years	(65,798)	-
Interest on tax paid late	302	-
Total current tax	<u>153,769</u>	<u>198,517</u>
Deferred tax	<u>(6,368)</u>	<u>15,689</u>
Tax on profit on ordinary activities	<u>147,401</u>	<u>214,206</u>

UK corporation tax has been charged at 25.50%

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012

5 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	30 6 12 £	30 6 11 £
Profit on ordinary activities before tax	<u>1,088,931</u>	<u>787,562</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.500% (2011 - 27.500%)	277,677	216,580
Effects of		
Expenses not deductible for tax purposes	159	329
Capital allowances in excess of depreciation	(1,546)	(6,330)
Adjustments to tax charge in respect of previous periods	(65,798)	-
Research & Development	(53,033)	-
Small company relief	(3,993)	(12,062)
Interest on tax paid late	<u>303</u>	<u>-</u>
Current tax charge	<u>153,769</u>	<u>198,517</u>

The adjustment in respect of previous years relates to a corporation tax refund that was received following a Research and Development expenditure claim for the years to 30th June 2011. A further claim is being made for the current year and will have the effect shown above.

6 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £148,971 (2011 - £88,980).

7 DIVIDENDS

	30 6 12 £	30.6.11 £
Ordinary shares of 10p each		
Interim	54,000	172,500
Ordinary A shares of 10p each		
Interim	6,000	-
Ordinary B shares of 10p each		
Interim	<u>6,000</u>	<u>-</u>
	<u>66,000</u>	<u>172,500</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012**

8 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares

Reconciliations are set out below

	Earnings £	30 6 12 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	941,530	500,000	188 31
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	941,530	500,000	188 31

	Earnings £	30 6 11 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	573,356	500,000	114 67
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	573,356	500,000	114 67

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012**

9 INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 July 2011	
and 30 June 2012	174,674
AMORTISATION	
At 1 July 2011	56,436
Amortisation for year	17,467
At 30 June 2012	73,903
NET BOOK VALUE	
At 30 June 2012	100,771
At 30 June 2011	118,238

Goodwill represents the amount arising on consolidation of the subsidiaries less their pre-acquisition reserves. Amortisation began on 1 July 2008 in accordance with the accounting policy.

10 TANGIBLE FIXED ASSETS

Group	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 July 2011	71,618	1,188,169	122,051
Additions	-	155,279	-
At 30 June 2012	71,618	1,343,448	122,051
DEPRECIATION			
At 1 July 2011	35,874	322,076	47,842
Charge for year	10,894	125,686	10,744
At 30 June 2012	46,768	447,762	58,586
NET BOOK VALUE			
At 30 June 2012	24,850	895,686	63,465
At 30 June 2011	35,744	866,093	74,209

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012**

10 TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 July 2011	5,850	3,750	1,391,438
Additions	-	-	155,279
At 30 June 2012	5,850	3,750	1,546,717
DEPRECIATION			
At 1 July 2011	1,829	3,750	411,371
Charge for year	1,463	-	148,787
At 30 June 2012	3,292	3,750	560,158
NET BOOK VALUE			
At 30 June 2012	2,558	-	986,559
At 30 June 2011	4,021	-	980,067

11 FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2011 and 30 June 2012	50,000
NET BOOK VALUE	
At 30 June 2012	50,000
At 30 June 2011	50,000

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

RPL (UK) Limited

Nature of business Manufacturer of health food products

	% holding	30 6 12 £	30 6 11 £
Class of shares			
Ordinary	100 00		
		2,090,087	1,808,079
Aggregate capital and reserves			
Profit for the year		282,008	299,433

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012**

11 FIXED ASSET INVESTMENTS - continued

Gelfi (UK) Limited

Nature of business supply and distribution of health food

	%		
Class of shares	holding		
Ordinary	100 00		
		30 6 12	30 6 11
		£	£
Aggregate capital and reserves		656,161	391,440
Profit for the year		<u>264,721</u>	<u>144,748</u>

Natrahealth Limited

Nature of business Distribution of vitamins and minerals

	%		
Class of shares	holding		
Ordinary	100 00		
		30 6 12	30 6 11
		£	£
Aggregate capital and reserves		(352,763)	(556,559)
Profit for the year		<u>203,797</u>	<u>52,659</u>

12 STOCKS

	Group	
	30 6 12	30 6 11
	£	£
Stocks	1,059,679	781,077
Work-in-progress	310,828	156,064
	<u>1,370,507</u>	<u>937,141</u>

13 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30 6 12	30 6 11	30 6 12	30 6 11
	£	£	£	£
Trade debtors	2,274,801	1,964,031	-	-
Other debtors	5,000	-	-	-
Directors' loan accounts	16,008	-	-	-
Prepayments	454,845	277,140	200,000	120,000
	<u>2,750,654</u>	<u>2,241,171</u>	<u>200,000</u>	<u>120,000</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012**

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30 6 12	30 6 11	30 6 12	30 6 11
	£	£	£	£
Bank loans and overdrafts (see note 16)	41,653	25,000	-	-
Hire purchase contracts (see note 17)	237,909	156,738	-	-
Trade creditors	1,210,484	1,402,840	-	-
Amounts owed to group undertakings	-	-	57,627	80,481
Tax	219,571	198,517	47,704	27,741
Social security and other taxes	40,281	15,082	-	-
VAT	143,364	241,892	664	734
Factoring account	1,507,661	732,452	-	-
Directors' loan accounts	-	169,714	-	-
Accrued expenses	437,119	327,849	-	-
	<u>3,838,042</u>	<u>3,270,084</u>	<u>105,995</u>	<u>108,956</u>

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	30 6 12	30 6 11
	£	£
Bank loans (see note 16)	55,000	118,354
Hire purchase contracts (see note 17)	132,717	110,389
	<u>187,717</u>	<u>228,743</u>

16 LOANS

An analysis of the maturity of loans is given below

	Group	
	30 6 12	30 6 11
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u>41,653</u>	<u>25,000</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>25,000</u>	<u>25,000</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>30,000</u>	<u>93,354</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012**

17 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Group

	Hire purchase contracts	
	30 6 12	30 6 11
	£	£
Net obligations repayable		
Within one year	237,909	156,738
Between one and five years	132,717	110,389
	<u>370,626</u>	<u>267,127</u>

18 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	30 6 12	30 6 11
	£	£
Factoring	<u>1,507,661</u>	<u>732,452</u>

The group's sales invoices are factored by Close Invoice Finance Limited who hold debentures over the debtors of each of the subsidiaries

19 PROVISIONS FOR LIABILITIES

	Group	
	30 6 12	30 6 11
	£	£
Deferred tax	<u>92,182</u>	<u>98,550</u>
Group		
		Deferred tax £
Balance at 1 July 2011		98,550
Accelerated capital allowances		<u>(6,368)</u>
Balance at 30 June 2012		<u>92,182</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012**

20 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	30.6.12 £	30.6.11 £
400,000 (30.6.11 - 500,000)	Ordinary	10p	40,000	50,000
50,000	Ordinary A	10p	5,000	-
50,000	Ordinary B	10p	5,000	-
			<u>50,000</u>	<u>50,000</u>

The following shares were allotted and fully paid for cash at par during the year

50,000 Ordinary A shares of 10p each
50,000 Ordinary B shares of 10p each

During the year a share reclassification took place to transfer 100,000 10p Ordinary shares to 50,000 10p Ordinary A shares and 50,000 10p Ordinary B shares

21 RESERVES

Group

	Profit and loss account £
At 1 July 2011	948,226
Profit for the year	941,530
Dividends	(66,000)
At 30 June 2012	<u>1,823,756</u>

Company

	Profit and loss account £
At 1 July 2011	12,068
Profit for the year	148,971
Dividends	(66,000)
At 30 June 2012	<u>95,039</u>

22 RELATED PARTY DISCLOSURES

Transactions and balances with group companies are exempt from disclosure as all subsidiaries within the Nutrition Group plc group are wholly owned and the transactions are eliminated on consolidation

23 ULTIMATE CONTROLLING PARTY

The company is controlled by Peter Greathead by virtue of his majority shareholding

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2012

24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	30 6 12	30 6 11
	£	£
Profit for the financial year	941,530	573,356
Dividends	(66,000)	(172,500)
Issue of shares		
Net addition to shareholders' funds	875,530	400,856
Opening shareholders' funds	998,226	597,370
Closing shareholders' funds	1,873,756	998,226

Company

	30 6 12	30 6 11
	£	£
Profit for the financial year	148,971	88,980
Dividends	(66,000)	(172,500)
Issue of shares		
Net addition/(reduction) to shareholders' funds	82,971	(83,520)
Opening shareholders' funds	62,068	145,588
Closing shareholders' funds	145,039	62,068