

**Report of the Directors and
Audited
Consolidated Financial Statements
for the Period
1 October 2009 to 31 March 2011
for
Denton Associates (Holdings) Limited**

THURSDAY



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for the Period 1 October 2009 to 31 March 2011**

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Denton Associates (Holdings) Limited

**Company Information
for the Period 1 October 2009 to 31 March 2011**

DIRECTORS:

M Halewood
R Douglas

SECRETARY.

M Halewood

REGISTERED OFFICE:

Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

REGISTERED NUMBER:

06457721 (England and Wales)

AUDITORS.

Roffe Swayne
Statutory Auditors &
Chartered Accountants
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

**Report of the Directors
for the Period 1 October 2009 to 31 March 2011**

The directors present their report with the financial statements of the company and the group for the period 1 October 2009 to 31 March 2011

PRINCIPAL ACTIVITY

The principal activity of the group in the period under review was that of the design and build of commercial interiors and commercial furniture procurement

REVIEW OF BUSINESS

The results for the period and financial position of the group are as shown in the annexed financial statements from the date of acquisition of shares in the subsidiary undertakings

The directors aim to present a balanced and comprehensive review of the development and performance of the business during the period and its position at the period end. The review is consistent with the size and non-complex nature of the business and is written in the context of the risks and uncertainties being faced

As a specialist in office design and fit out and furniture sales, the group delivers in those key areas of the business

The directors consider that the key financial performance indicators are those that communicate the financial performance and strength of the group as a whole, these being turnover, gross profit, operating profit and net assets/shareholders funds

The key performance indicators of the group are as follows

	2011 £000	2009 £000
Turnover		
- Office design and build	13,298	5,772
- Furniture sales	1,290	1,160
- Commission	995	-
	<u>15,583</u>	<u>6,932</u>
Gross profit		
- Office design and build	3,142	1,197
- Furniture sales	134	228
- Commission	31	
	<u>3,307</u>	<u>1,425</u>
Operating profit / (loss)	503	(8)
Net assets/Shareholders funds	<u>595</u>	<u>684</u>

After another difficult year's trading conditions, a strong turnover was achieved through the high level of new and repeat business. One client contributed the largest project conducted by Denton Associates to date and this raises the project threshold which can deliver within the market sector

The financial services sector was again suppressed in The City, although activity within the professional services sector continued unabated. Towards the end of this period and into the next, substantial new office developments will be coming on line within The City, although the West End and Regions do not have such an evident supply of new property. The Hedge fund sector, which Dentons has previously gained substantially from, was very quiet

The North West again contributed with some good fit outs within modern office buildings, although the majority of the work came from London, with furniture adding some £2m to turnover, but with a disappointing margin

**Report of the Directors
for the Period 1 October 2009 to 31 March 2011**

With the outlook for the next 12 months looking similarly challenging the Directors have successfully concluded a restructuring of the overheads, resulting in a reduction of over 35%. This overhead reduction, along with Denton's ability to maintain a good level of repeat business across the sectors and the ongoing development of new office space within the City gives cautious optimism for 2011/12.

DIVIDENDS

An interim dividend of 24.8p per share on the Ordinary Share Capital £1 shares was declared on 8 September 2010. The directors recommend no final dividend be paid on these shares.

No interim dividend was paid on the Preference Shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the period ended 31 March 2011 will be £180,158.

On 8 September 2010, when the interim dividends were approved, the company had sufficient distributable profits available. At this point the directors were not aware that the company would be loss making in the subsequent 6 months to 31 March 2011, resulting in negative reserves at the balance sheet date. The directors acknowledge that no further distributions can be made until there are sufficient profits available for that purpose.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2009 to the date of this report.

M Halewood
R Douglas

Other changes in directors holding office are as follows:

D Nock ceased to be a director after 31 March 2011 but prior to the date of this report.

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,
- 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.

**Report of the Directors
for the Period 1 October 2009 to 31 March 2011**

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information

AUDITORS

The auditors, Roffe Swayne, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'M Halewood', with a long horizontal flourish extending to the right.

M Halewood - Director

Date 20.12.2011

Report of the Independent Auditors to the Members of Denton Associates (Holdings) Limited

We have audited the financial statements of Denton Associates (Holdings) Limited for the period ended 31 March 2011 on pages seven to twenty four. 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 financial statements 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 31 March 2011 and of the group's profit for the period 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

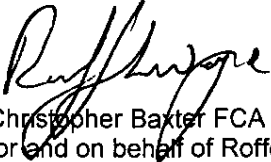
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Denton Associates (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



Christopher Baxter FCA (Senior Statutory Auditor)
for and on behalf of Roffe Swayne
Statutory Auditors &
Chartered Accountants
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

Date 21 December 2011

Denton Associates (Holdings) Limited (Registered number: 06457721)

**Consolidated Profit and Loss Account
for the Period 1 October 2009 to 31 March 2011**

	Notes	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
TURNOVER		15,583,215	6,932,317
Cost of sales		12,276,132	5,507,154
GROSS PROFIT		3,307,083	1,425,163
Administrative expenses		2,803,931	1,433,482
OPERATING PROFIT/(LOSS)	3	503,152	(8,319)
Interest receivable and similar income		5,934	14,102
		509,086	5,783
Interest payable and similar charges	4	170,078	171,833
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		339,008	(166,050)
Tax on profit/(loss) on ordinary activities	5	248,783	(5,475)
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD FOR THE GROUP		90,225	(160,575)

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profit for the current period and the loss for the previous year

Consolidated Balance Sheet
31 March 2011

	Notes	2011 £	2009 £
FIXED ASSETS			
Intangible assets	8	3,003,364	3,268,368
Tangible assets	9	30,683	53,918
Investments	10	42,000	42,000
		<u>3,076,047</u>	<u>3,364,286</u>
CURRENT ASSETS			
Stocks	11	-	28,568
Debtors	12	1,541,588	1,424,746
Cash at bank		63,066	1,677,069
		<u>1,604,654</u>	<u>3,130,383</u>
CREDITORS			
Amounts falling due within one year	13	2,747,344	3,011,536
NET CURRENT (LIABILITIES)/ASSETS		<u>(1,142,690)</u>	<u>118,847</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,933,357</u>	<u>3,483,133</u>
CREDITORS			
Amounts falling due after more than one year	14	1,338,712	2,798,555
NET ASSETS		<u><u>594,645</u></u>	<u><u>684,578</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	726,445	726,445
Profit and loss account	19	(131,800)	(41,867)
SHAREHOLDERS' FUNDS	25	<u><u>594,645</u></u>	<u><u>684,578</u></u>

The financial statements were approved by the Board of Directors on 20 12 2011 and were signed on its behalf by



M Halewood - Director

Company Balance Sheet
31 March 2011

	Notes	2011 £	2009 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	-	-
Investments	10	4,153,872	4,153,872
		<u>4,153,872</u>	<u>4,153,872</u>
CURRENT ASSETS			
Cash at bank		31,677	977,583
CREDITORS			
Amounts falling due within one year	13	936,098	1,418,648
NET CURRENT LIABILITIES		<u>(904,421)</u>	<u>(441,065)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,249,451	3,712,807
CREDITORS			
Amounts falling due after more than one year	14	2,538,712	2,798,555
NET ASSETS		<u>710,739</u>	<u>914,252</u>
CAPITAL AND RESERVES			
Called up share capital	18	726,445	726,445
Profit and loss account	19	(15,706)	187,807
SHAREHOLDERS' FUNDS	25	<u>710,739</u>	<u>914,252</u>

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

20.12 2011

and were



M Halewood - Director

**Consolidated Cash Flow Statement
for the Period 1 October 2009 to 31 March 2011**

	Notes	Period 1 10 09 to 31 3 11		Year Ended 30 9 09	
		£	£	£	£
Net cash inflow from operating activities	1		179,893		947,445
Returns on investments and servicing of finance	2		(164,144)		(157,731)
Taxation			(133,295)		(110,446)
Capital expenditure	2		(12,359)		9,192
Equity dividends paid			(180,158)		-
			(310,063)		688,460
Financing	2		(1,368,303)		(67,270)
(Decrease)/Increase in cash in the period			(1,678,366)		621,190
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/Increase in cash in the period		(1,678,366)		621,190	
Cash outflow from decrease in debt		1,350,000		50,000	
Change in net debt resulting from cash flows			(328,366)		671,190
Movement in net debt in the period			(328,366)		671,190
Net debt at 1 October			(1,621,486)		(2,292,676)
Net debt at 31 March			(1,949,852)		(1,621,486)

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Period 1 October 2009 to 31 March 2011

1 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Operating profit/(loss)	503,152	(8,319)
Depreciation charges	300,598	211,951
Decrease/(Increase) in stocks	28,568	(26,866)
(Increase)/Decrease in debtors	(98,539)	313,581
(Decrease)/Increase in creditors	(553,886)	457,098
Net cash inflow from operating activities	179,893	947,445

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

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Returns on investments and servicing of finance		
Interest received	5,934	14,102
Interest paid	(170,078)	(171,833)
Net cash outflow for returns on investments and servicing of finance	(164,144)	(157,731)
Capital expenditure		
Purchase of tangible fixed assets	(13,498)	(3,398)
Sale of tangible fixed assets	1,139	12,590
Net cash (outflow)/inflow for capital expenditure	(12,359)	9,192
Financing		
New loans in period	550,000	-
Loan repayments in period	(1,900,000)	(500,000)
Amount introduced by directors	16,737	450,000
Amount withdrawn by directors	(35,040)	(17,270)
Net cash outflow from financing	(1,368,303)	(67,270)

Notes to the Consolidated Cash Flow Statement
for the Period 1 October 2009 to 31 March 2011

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 10 09 £	Cash flow £	At 31 3 11 £
Net cash			
Cash at bank	1,677,069	(1,614,003)	63,066
Bank overdraft	-	(64,363)	(64,363)
	<u>1,677,069</u>	<u>(1,678,366)</u>	<u>(1,297)</u>
Debt			
Debts falling due within one year	(500,000)	(109,843)	(609,843)
Debts falling due after one year	<u>(2,798,555)</u>	<u>1,459,843</u>	<u>(1,338,712)</u>
	<u>(3,298,555)</u>	<u>1,350,000</u>	<u>(1,948,555)</u>
Total	<u>(1,621,486)</u>	<u>(328,366)</u>	<u>(1,949,852)</u>

**Notes to the Consolidated Financial Statements
for the Period 1 October 2009 to 31 March 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents revenue from the provision of goods and services net of value added tax. Revenue is recognised when the group fulfils its contractual obligations to customers. Where services are performed gradually over time, revenue is recognised as activity progresses by reference to the fair value of the work performed.

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 twenty years.

Tangible fixed assets

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

Short leasehold	- 20% on cost
Fixtures and fittings	- 15% on cost
Computer equipment	- 25% on cost

Stocks

Work-in-progress is included as total costs incurred net of amounts transferred to the profit and loss account in respect of work carried out to date, less foreseeable losses and applicable payments on account.

Deferred tax

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

Hire purchase and leasing commitments

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 makes payments into individual's personal pension schemes. Contributions payable for the year are charged to the profit and loss account as they are incurred.

Fixed asset investments

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

2 STAFF COSTS

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Wages and salaries	2,287,758	1,219,922
Social security costs	234,054	143,337
Other pension costs	80,440	21,510
	<u>2,602,252</u>	<u>1,384,769</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011

2 STAFF COSTS - continued

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

	Period 1 10 09 to 31 3 11	Year Ended 30 9 09
Project managers	7	3
Sales	6	4
Design	7	5
Administration	5	8
	<u>25</u>	<u>20</u>

3 OPERATING PROFIT/(LOSS)

The operating profit (2009 - operating loss) is stated after charging

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Hire of plant and machinery	3,793	27,918
Depreciation - owned assets	35,594	35,282
Goodwill amortisation	265,004	176,669
Operating leases - rent	171,768	8,700
Other operating leases - motor vehicles	3,499	120,700
Other operating leases - office equipment	13,050	4,450
Auditors' remuneration	7,900	14,100
Auditors' remuneration - subsidiary undertakings	22,932	-
	<u>640,533</u>	<u>408,639</u>
Directors' remuneration	640,533	408,639
Directors' pension contributions to money purchase schemes	72,000	10,950
	<u>712,533</u>	<u>419,589</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>3</u>	<u>4</u>
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Information regarding the highest paid director is as follows

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Emoluments etc	255,065	185,103
Pension contributions to money purchase schemes	36,000	3,528
	<u>291,065</u>	<u>188,631</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011

4 INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Bank interest	149,744	165,041
Interest on directors loan	20,334	6,792
	<u>170,078</u>	<u>171,833</u>

5 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the period was as follows

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Current tax		
UK corporation tax	250,000	13,500
Over provision in prior year	(1,217)	(18,975)
	<u>248,783</u>	<u>(5,475)</u>
Tax on profit/(loss) on ordinary activities		

UK corporation tax has been charged at 28% (2009 - 28%)

Factors affecting the tax charge/(credit)

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

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Profit/(loss) on ordinary activities before tax	<u>339,008</u>	<u>(166,050)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	94,922	(46,494)
Effects of		
Expenses disallowed	37,057	(20,793)
Depreciation in excess of capital allowances	76,296	1,829
Other tax adjustments	-	41,008
(Over) / under provision in prior years	(1,217)	18,975
Marginal relief	(1,926)	-
Rounding of provision	43,651	-
Current tax charge/(credit)	<u>248,783</u>	<u>(5,475)</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011

6 **LOSS 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 loss for the financial period was £(23,355) (2009 £36,101 profit)

7 **DIVIDENDS**

	Period 1 10 09 to 31 3 11 £	Year Ended 30 9 09 £
Ordinary Share Capital shares of £1 each Interim	180,158	-

8 **INTANGIBLE FIXED ASSETS**

Group

	Goodwill £
COST	
At 1 October 2009 and 31 March 2011	3,533,371
AMORTISATION	
At 1 October 2009	265,003
Amortisation for period	265,004
At 31 March 2011	530,007
NET BOOK VALUE	
At 31 March 2011	3,003,364
At 30 September 2009	3,268,368

Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011

9 TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 October 2009	13,361	50,692	155,300	219,353
Additions	-	661	12,837	13,498
Disposals	-	(1,016)	(851)	(1,867)
At 31 March 2011	<u>13,361</u>	<u>50,337</u>	<u>167,286</u>	<u>230,984</u>
DEPRECIATION				
At 1 October 2009	8,350	26,507	130,578	165,435
Charge for period	4,008	8,972	22,614	35,594
Eliminated on disposal	-	(355)	(373)	(728)
At 31 March 2011	<u>12,358</u>	<u>35,124</u>	<u>152,819</u>	<u>200,301</u>
NET BOOK VALUE				
At 31 March 2011	<u>1,003</u>	<u>15,213</u>	<u>14,467</u>	<u>30,683</u>
At 30 September 2009	<u>5,011</u>	<u>24,185</u>	<u>24,722</u>	<u>53,918</u>

10 FIXED ASSET INVESTMENTS

Group

	Unlisted investments £
COST	
At 1 October 2009 and 31 March 2011	<u>42,000</u>
NET BOOK VALUE	
At 31 March 2011	<u>42,000</u>
At 30 September 2009	<u>42,000</u>

Company

	Shares in group undertakings £
COST	
At 1 October 2009 and 31 March 2011	<u>4,153,872</u>
NET BOOK VALUE	
At 31 March 2011	<u>4,153,872</u>
At 30 September 2009	<u>4,153,872</u>

**Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011**

10 FIXED ASSET INVESTMENTS - continued

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

Subsidiaries

Denton Associates (London) Limited

Nature of business Design and build of commercial interiors

	%
Class of shares	holding
Ordinary £1 shares	100 00

Posture Limited

Nature of business Commercial furniture procurement

	%
Class of shares	holding
Ordinary £1 shares	100 00

On 4 April 2008, Denton Associates (Holdings) Limited purchased 100% of the issued share capital of Denton Associates (London) Limited for a cash consideration of £2,200,000 plus costs of £253,872, 726,445 ordinary £1 shares were issued at par and 973,555 £1 preference shares were issued at par, the investment and its subsidiary undertakings have been accounted for under the acquisition method Goodwill arising on the acquisition of Denton Associates (London) Limited has been capitalised and will be amortised over its estimated useful life of 20 years

The effect of the acquisition of the subsidiary undertakings on the consolidated financial statements is as reflected in the profit and loss account

11 STOCKS

	Group	
	2011	2009
	£	£
Work-in-progress	-	28,568

12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2011	2009
	£	£
Trade debtors	1,138,227	689,526
Amounts recoverable on contracts	90,340	432,468
Other debtors	32,153	42,048
Directors' loan accounts	185,812	167,509
S419 tax recoverable	38,932	38,932
Prepayments	56,124	54,263
	<u>1,541,588</u>	<u>1,424,746</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011	2009	2011	2009
	£	£	£	£
Bank loans and overdrafts (see note 15)	364,363	500,000	300,000	500,000
Preference shares (see note 15)	309,843	-	309,843	-
Trade creditors	1,081,983	1,350,318	-	-
Amounts owed to group undertakings	-	-	182,003	871,344
Tax	250,000	134,512	-	-
Social security and other taxes	134,427	150,809	-	-
Other creditors	61,797	32,730	-	-
Dividends payable	105,158	-	105,158	-
Deferred income	-	130,291	-	-
Accrued expenses	439,773	712,876	39,094	47,304
	<u>2,747,344</u>	<u>3,011,536</u>	<u>936,098</u>	<u>1,418,648</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2011	2009	2011	2009
	£	£	£	£
Bank loans (see note 15)	225,000	1,375,000	225,000	1,375,000
Other loans (see note 15)	1,113,712	1,423,555	1,113,712	1,423,555
Amounts owed to group undertakings	-	-	1,200,000	-
	<u>1,338,712</u>	<u>2,798,555</u>	<u>2,538,712</u>	<u>2,798,555</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011

15 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2011 £	2009 £	2011 £	2009 £
Amounts falling due within one year or on demand				
Bank overdrafts	64,363	-	-	-
Bank loans	300,000	500,000	300,000	500,000
Preference shares	309,843	-	309,843	-
	<u>674,206</u>	<u>500,000</u>	<u>609,843</u>	<u>500,000</u>
Amounts falling due between one and two years				
Bank loans - 1-2 years	225,000	500,000	225,000	500,000
Preference shares	663,712	973,555	663,712	973,555
	<u>888,712</u>	<u>1,473,555</u>	<u>888,712</u>	<u>1,473,555</u>
Amounts falling due between two and five years				
Bank loans - 2-5 years	-	875,000	-	875,000
Directors loan account	450,000	450,000	450,000	450,000
	<u>450,000</u>	<u>1,325,000</u>	<u>450,000</u>	<u>1,325,000</u>

Details of shares shown as liabilities are as follows

Allotted, issued and fully paid				
Number	Class	Nominal value	2011 £	2009 £
973,555	Preference Shares	£1	<u>973,555</u>	<u>973,555</u>

16 OPERATING LEASE COMMITMENTS

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

Group	Land and buildings		Other operating leases	
	2011 £	2009 £	2011 £	2009 £
Expiring				
Within one year	44,333	-	-	-
Between one and five years	-	106,400	12,899	8,700
In more than five years	33,048	-	-	-
	<u>77,381</u>	<u>106,400</u>	<u>12,899</u>	<u>8,700</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011

17 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	2011	2009	2011	2009
	£	£	£	£
Bank loans	<u>525,000</u>	<u>1,875,000</u>	<u>525,000</u>	<u>1,875,000</u>

The bank loan is secured by way of a debenture and an unlimited inter company composite guarantee with Denton Associates (London) Limited

18 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class	Nominal value	2011	2009
			£	£
726,445	Ordinary Share Capital	£1	<u>726,445</u>	<u>726,445</u>

19 RESERVES

Group

	Profit and loss account £
At 1 October 2009	(41,867)
Profit for the period	90,225
Dividends	<u>(180,158)</u>
At 31 March 2011	<u>(131,800)</u>

Company

	Profit and loss account £
At 1 October 2009	187,807
Deficit for the period	(23,355)
Dividends	<u>(180,158)</u>
At 31 March 2011	<u>(15,706)</u>

On 8 September 2010, when the interim dividend was approved, the company had sufficient distributable profits available. At this point the directors were not aware that the company would be loss making in the subsequent seven months to 31 March 2011, resulting in a negative reserve at the balance sheet date. The directors acknowledge that no further distributions can be made until there are sufficient profits available for that purpose.

20 PENSION COMMITMENTS

The group makes contributions into individual's personal pension schemes. The pension cost charge represents contributions payable by the group and amounted to £80,440 (2009 £21,510) £3,505 (2009 £2,591) was outstanding at the period end.

Notes to the Consolidated Financial Statements - continued
for the Period 1 October 2009 to 31 March 2011

21 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the period ended 31 March 2011 and the year ended 30 September 2009

	2011 £	2009 £
D Nock		
Balance outstanding at start of period	158,134	140,864
Amounts advanced	35,040	17,270
Amounts repaid	(16,737)	-
Balance outstanding at end of period	<u>176,437</u>	<u>158,134</u>
R Douglas		
Balance outstanding at start of period	9,375	9,375
Amounts repaid	-	-
Balance outstanding at end of period	<u>9,375</u>	<u>9,375</u>

In the year ended 30 September 2007 loans totalling £90,000 were made to D Nock. Interest is charged at the HM Revenue and Customs interest rate. The loan is unsecured and repayable on demand. During the period interest of £5,395 (2009 £5,490) was charged in respect of this loan.

In the year ended 30 September 2008 additional loans of £41,978 and £9,375 were made to D Nock and R Douglas respectively. These loans are interest free, unsecured and repayable on the earlier of an exit event as set out in the Articles of Association of Denton Associates (Holdings) Limited, the directors ceasing to be employees of the company, or 4 April 2018.

During the year ended 30 September 2009 a payroll advance was made to D Nock totalling £11,780. This balance was repaid in full during the period ended 31 March 2011.

During the current period an additional loan of £35,040 was granted to D Nock. Interest is charged at the HM Revenue and Customs interest rate. The loan was agreed to be repaid in full by way of equal monthly deductions through the payroll. At the period end repayments totalling £4,957 had been received. During the period interest of £818 was charged in respect of this loan.

After the balance sheet date a Compromise Agreement was entered into by D Nock, Denton Associates (London) Limited, and Denton Associates (Holdings) Limited. It was agreed that Denton Associates (Holdings) Limited would repurchase D Nock's total share holding in the company for a cash consideration of £175,712 and that, on receipt of the proceeds from the sale of his shares, D Nock would immediately pay a sum equal to the proceeds to Denton Associates (London) Limited to settle the total outstanding balance of loans due from D Nock to the company.

Included within creditors is £450,000 (2009 £450,000) owed to M Halewood, a director of the company. £20,334 (2009 £6,792) of interest was charged by M Halewood to the company during the period. Included within accrued expenses at the balance sheet date is interest due to M Halewood of £27,126 (2009 £6,792). Interest is charged at 3% per annum and the loan and interest are not repayable until the bank loan has been repaid in full.

The directors have provided the bank with a personal guarantee, which requires them to pay all the company's obligations in respect of liabilities to the bank, whether they be present, future, actual or contingent and whether incurred alone or jointly with another, to a maximum of £100,000. The directors are jointly and severally liable for the guarantee provided.

Notes to the Consolidated Financial Statements - continued
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22 RELATED PARTY DISCLOSURES

During the period R Nock, the wife of D Nock, a director of the company, provided sales consultancy services to Denton Associates (London) Limited and Posture limited of £11,204 (2009 £nil) and £7,617 (2009 £nil) respectively Included within trade creditors is an amount of £1,417 (2009 £nil) owed to R Nock

23 POST BALANCE SHEET EVENTS

On 10 May 2011 a special resolution was passed agreeing that Denton Associates (Holdings) Limited purchase 242,148 Ordinary shares of £1 each and 309,843 Preference shares of £1 each in the Company from D Nock for a cash consideration of £175,712

A compromise agreement was entered into on the same date agreeing that on receipt of the proceeds of the shares, D Nock would immediately pay a sum equal to the proceeds to Denton Associates (London) Limited, a wholly owned subsidiary of Denton Associates (Holdings) Limited, to settle the total outstanding balance of the loans due from D Nock to Denton Associates (London) Limited

24 ULTIMATE CONTROLLING PARTY

In the opinion of the directors there is no ultimate controlling party

25 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2011 £	2009 £
Profit/(Loss) for the financial period	90,225	(160,575)
Dividends	(180,158)	-
Net reduction of shareholders' funds	(89,933)	(160,575)
Opening shareholders' funds	684,578	845,153
Closing shareholders' funds	594,645	684,578

Company

	2011 £	2009 £
(Loss)/Profit for the financial period	(23,355)	36,101
Dividends	(180,158)	-
Net (reduction)/addition to shareholders' funds	(203,513)	36,101
Opening shareholders' funds	914,252	878,151
Closing shareholders' funds	710,739	914,252

**Notes to the Consolidated Financial Statements - continued
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26 EMPLOYEE BENEFIT TRUST

On 18 February 2010 the company set up an EBT scheme and appointed M Halewood and D Nock, whom are both directors of the company, as trustees

The trust was set up with the object inter alia of providing such benefits to the company's staff as the trustees may in their discretion decide. The initial trust fund amount was £100 which is deemed to be a set-up cost.

On 1 March 2010 the trust granted 24,215 enterprise management incentive share options. The options immediately vested and the option period is 10 years less one day commencing with the date of the grant. The options can only be exercised upon written notice and settlement of the exercise price of £0.01 per share option.

Weighted average fair value is considered to be equal to the exercise price, as this value was agreed by HMRC during the year.