

**Report of the Directors and
Audited
Consolidated Financial Statements
for the Year Ended 31 March 2012
for
Denton Associates (Holdings) Limited**

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Denton Associates (Holdings) Limited

**Company Information
for the Year Ended 31 March 2012**

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 Year Ended 31 March 2012**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2012

PRINCIPAL ACTIVITY

The principal activity of the group in the year 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

	2012 £000	2011 £000
Turnover		
- Office design and build	7,441	14,293
- Furniture sales	1,165	1,290
	<u>8,606</u>	<u>15,583</u>
Gross profit		
- Office design and build	1,529	1,473
- Furniture sales	86	134
	<u>1,615</u>	<u>3,307</u>
Operating profit / (loss)	137	503
Net assets/Shareholders funds	<u>794</u>	<u>595</u>

The last 12 months has seen the commercial office market tighten even further, with lease breaks being extended by landlords to avoid 'empty space'. This has meant a reduced level of office movers which has made the market exceptionally tough. We have however maintained a good level of turnover from our existing client base and through new clients.

The London office market is however still the largest sector in the UK, and possibly Europe, so continues to be the area in which to concentrate energies. The City has a substantial amount of available space with rents being lower than the West End, so perhaps proving to be the most attractive destination for tenants. There are still elements of the financial services sector that want to be in the West End, such as hedge funds, although as with last year, this is an element of the market that has shown slow progress. The regions have again been slow, with the North West offices making a small contribution to the overall profitability of the business.

**Report of the Directors
for the Year Ended 31 March 2012**

We have started to develop a sales team to spearhead the finding of new business opportunities, which we expect to start bearing fruit over the coming year. We have employed a new Design Manager to lead the Design team and head the presentation process for new client pitches. There is a substantial amount of new development in The City that will be placing a further 1 million sqft of space into the market over the next 18 months. Along with careful control of overheads, the directors feel optimistic for 2012/2013.

DIVIDENDS

No interim dividend was paid on the Ordinary Share Capital £1 shares. The directors recommend that 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 year ended 31 March 2012 will be nil (2011: £180,158).

DIRECTORS

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

M Halewood
R Douglas

Other changes in directors holding office are as follows:

D Nock - resigned 10 May 2011

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.

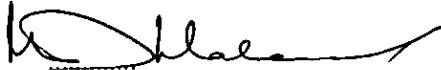
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements 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 Year Ended 31 March 2012**

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

ON BEHALF OF THE BOARD



M Halewood - Director

Date 13/3/2013

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 year ended 31 March 2012 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 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 31 March 2012 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other 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 *14 March 2013*

Denton Associates (Holdings) Limited (Registered number 06457721)

**Consolidated Profit and Loss Account
for the Year Ended 31 March 2012**

		Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
	Notes		
TURNOVER		8,606,420	15,583,215
Cost of sales		6,991,105	12,276,132
GROSS PROFIT		1,615,315	3,307,083
Administrative expenses		1,478,797	2,803,931
OPERATING PROFIT	3	136,518	503,152
Interest receivable and similar income		2,169	5,934
		138,687	509,086
Interest payable and similar charges	4	22,780	170,078
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		115,907	339,008
Tax on profit on ordinary activities	5	56,451	248,783
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		59,456	90,225

CONTINUING OPERATIONS

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

The notes form part of these financial statements

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

**Consolidated Statement of Total Recognised Gains and Losses
for the Year Ended 31 March 2012**

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
PROFIT FOR THE FINANCIAL YEAR	59,456	90,225
Redemption of preference shares	309,853	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>369,309</u>	<u>90,225</u>

The notes form part of these financial statements

Denton Associates (Holdings) Limited (Registered number 06457721)

**Consolidated Balance Sheet
31 March 2012**

	Notes	2012		2011	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		2,826,695		3,003,364
Tangible assets	9		70,981		30,683
Investments	10		42,000		42,000
			<u>2,939,676</u>		<u>3,076,047</u>
CURRENT ASSETS					
Debtors amounts falling due within one year	11	1,234,712		1,541,588	
Debtors amounts falling due after more than one year	11	1,358,196		1,200,000	
Cash at bank		662,195		63,066	
		<u>3,255,103</u>		<u>2,804,654</u>	
CREDITORS					
Amounts falling due within one year	12	2,728,526		2,747,344	
NET CURRENT ASSETS			<u>526,577</u>		<u>57,310</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,466,253		3,133,357
CREDITORS					
Amounts falling due after more than one year	13		2,671,898		2,538,712
NET ASSETS			<u>794,355</u>		<u>594,645</u>
CAPITAL AND RESERVES					
Called up share capital	17		484,297		726,445
Capital redemption reserve	18		72,549		-
Profit and loss account	18		237,509		(131,800)
SHAREHOLDERS' FUNDS	23		<u>794,355</u>		<u>594,645</u>

The financial statements were approved by the Board of Directors on 13/3/2013 and were signed on its behalf by



M Halewood - Director

The notes form part of these financial statements

Denton Associates (Holdings) Limited (Registered number 06457721)

**Company Balance Sheet
31 March 2012**

	Notes	2012	2011
		£	£
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		31,047	31,677
CREDITORS			
Amounts falling due within one year	12	423,393	936,098
NET CURRENT LIABILITIES		<u>(392,346)</u>	<u>(904,421)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,761,526	3,249,451
CREDITORS			
Amounts falling due after more than one year	13	2,671,898	2,538,712
NET ASSETS		<u>1,089,628</u>	<u>710,739</u>
CAPITAL AND RESERVES			
Called up share capital	17	484,297	726,445
Capital redemption reserve	18	72,549	-
Profit and loss account	18	532,782	(15,706)
SHAREHOLDERS' FUNDS	23	<u>1,089,628</u>	<u>710,739</u>

The financial statements were approved by the Board of Directors on 13/3/2013 and were signed on its behalf by



M Halewood - Director

The notes form part of these financial statements

**Consolidated Cash Flow Statement
for the Year Ended 31 March 2012**

	Notes	Year Ended 31 3 12		Period 1 10 09 to 31 3 11	
		£	£	£	£
Net cash inflow from operating activities	1		1,290,115		161,590
Returns on investments and servicing of finance	2		(20,611)		(164,144)
Taxation			(149,994)		(133,295)
Capital expenditure	2		(61,419)		(12,359)
Equity dividends paid			-		(180,158)
			<u>1,058,091</u>		<u>(328,366)</u>
Financing	2		(394,599)		(1,350,000)
Increase/(decrease) in cash in the period			<u>663,492</u>		<u>(1,678,366)</u>
Reconciliation of net cash flow to movement in net debt	3				
Increase/(decrease) in cash in the period		663,492		(1,678,366)	
Cash outflow from decrease in debt		<u>534,853</u>		<u>1,350,000</u>	
Change in net debt resulting from cash flows			<u>1,198,345</u>		<u>(328,366)</u>
Movement in net debt in the period			<u>1,198,345</u>		<u>(328,366)</u>
Net debt at 1 April			<u>(1,949,852)</u>		<u>(1,621,486)</u>
Net debt at 31 March			<u>(751,507)</u>		<u>(1,949,852)</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2012

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

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
Operating profit	136,518	503,152
Depreciation charges	197,790	300,598
Decrease in stocks	-	28,568
Decrease/(increase) in debtors	306,876	(116,842)
Increase/(decrease) in creditors	648,931	(553,886)
Net cash inflow from operating activities	1,290,115	161,590

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

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
Returns on investments and servicing of finance		
Interest received	2,169	5,934
Interest paid	(22,780)	(170,078)
Net cash outflow for returns on investments and servicing of finance	(20,611)	(164,144)
Capital expenditure		
Purchase of tangible fixed assets	(61,419)	(13,498)
Sale of tangible fixed assets	-	1,139
Net cash outflow for capital expenditure	(61,419)	(12,359)
Financing		
New loans in period	-	550,000
Loan repayments in period	(225,000)	(1,900,000)
Share buyback	(169,599)	-
Net cash outflow from financing	(394,599)	(1,350,000)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2012

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 4 11 £	Cash flow £	At 31 3 12 £
Net cash			
Cash at bank	63,066	599,129	662,195
Bank overdraft	(64,363)	64,363	-
	<u>(1,297)</u>	<u>663,492</u>	<u>662,195</u>
Debt			
Debts falling due within one year	(609,843)	509,843	(100,000)
Debts falling due after one year	(1,338,712)	25,010	(1,313,702)
	<u>(1,948,555)</u>	<u>534,853</u>	<u>(1,413,702)</u>
Total	<u>(1,949,852)</u>	<u>1,198,345</u>	<u>(751,507)</u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31 March 2012**

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

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.

In accordance with FRS 11 Impairment of fixed assets and goodwill the directors have considered the recoverable amount of the investment in its subsidiary undertaking, Denton Associates (London) Limited. Despite the challenging trading conditions within the commercial design and build sector the directors believe the new business opportunities within its key geographical sectors do not result in a permanent diminution in value and therefore no provision is necessary.

2 STAFF COSTS

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
Wages and salaries	1,197,898	2,287,758
Social security costs	107,912	234,054
Other pension costs	39,210	80,440
	<u>1,345,020</u>	<u>2,602,252</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012

2 STAFF COSTS - continued

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

	Year Ended 31 3 12	Period 1 10 09 to 31 3 11
Project managers	7	7
Sales	3	6
Design	5	7
Administration	5	5
	<u>20</u>	<u>25</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
Hire of plant and machinery	2,402	3,793
Depreciation - owned assets	21,121	35,594
Goodwill amortisation	176,669	265,004
Operating leases - rent	130,529	171,768
Other operating leases - motor vehicles	14,162	3,499
Other operating leases - office equipment	2,402	13,050
Auditors' remuneration	3,500	7,900
Auditors' remuneration - subsidiary undertakings	12,500	22,932
	<u>145,759</u>	<u>640,533</u>
Directors' remuneration	36,500	72,000
Directors' pension contributions to money purchase schemes		

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

Money purchase schemes	<u>2</u>	<u>3</u>
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4 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
Bank interest	9,280	149,744
Interest on directors loan	13,500	20,334
	<u>22,780</u>	<u>170,078</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012**

5 TAXATION**Analysis of the tax charge**

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

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
Current tax		
UK corporation tax	100,000	250,000
Over provision in prior year	<u>(43,549)</u>	<u>(1,217)</u>
 Tax on profit on ordinary activities	 <u>56,451</u>	 <u>248,783</u>

UK corporation tax was charged at 28% in 2011

Factors affecting the tax charge

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

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
Profit on ordinary activities before tax	<u>115,907</u>	<u>339,008</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011 - 28%)	30,136	94,922
Effects of		
Expenses disallowed	15,273	37,057
Depreciation in excess of capital allowances	45,415	76,296
Other tax adjustments	(4,841)	-
(Over) / under provision in prior years	(43,549)	(1,217)
Marginal relief	(6,353)	(1,926)
Rounding of provision	20,370	43,651
 Current tax charge	 <u>56,451</u>	 <u>248,783</u>

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 £238,635 (2011 - £(23,355) loss)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012

7 DIVIDENDS

	Year Ended 31 3 12 £	Period 1 10 09 to 31 3 11 £
Ordinary Share Capital shares of £1 each Interim	-	180,158

8 INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 April 2011 and 31 March 2012	3,533,371
AMORTISATION	
At 1 April 2011	530,007
Amortisation for year	176,669
At 31 March 2012	706,676
NET BOOK VALUE	
At 31 March 2012	2,826,695
At 31 March 2011	3,003,364

9 TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2011	13,361	50,337	167,286	230,984
Additions	27,162	855	33,402	61,419
Disposals	(13,361)	-	(59,558)	(72,919)
At 31 March 2012	27,162	51,192	141,130	219,484
DEPRECIATION				
At 1 April 2011	12,358	35,124	152,819	200,301
Charge for year	4,397	5,367	11,357	21,121
Eliminated on disposal	(13,361)	-	(59,558)	(72,919)
At 31 March 2012	3,394	40,491	104,618	148,503
NET BOOK VALUE				
At 31 March 2012	23,768	10,701	36,512	70,981
At 31 March 2011	1,003	15,213	14,467	30,683

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012

10 FIXED ASSET INVESTMENTS

Group

	Unlisted investments £
COST	
At 1 April 2011	
and 31 March 2012	42,000
NET BOOK VALUE	
At 31 March 2012	42,000
At 31 March 2011	42,000

Company

	Shares in group undertakings £
COST	
At 1 April 2011	
and 31 March 2012	4,153,872
NET BOOK VALUE	
At 31 March 2012	4,153,872
At 31 March 2011	4,153,872

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 Dormant company

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.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012

11 DEBTORS

	Group	
	2012 £	2011 £
Amounts falling due within one year		
Trade debtors	856,762	1,138,227
Amounts recoverable on contracts	222,360	90,340
Other debtors	31,585	32,153
Directors' loan accounts	13,750	185,812
S455 tax recoverable	38,932	38,932
Prepayments	71,323	56,124
	<u>1,234,712</u>	<u>1,541,588</u>
Amounts falling due after more than one year		
No description	<u>1,358,196</u>	<u>1,200,000</u>
Aggregate amounts	<u>2,592,908</u>	<u>2,741,588</u>

12 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Bank loans and overdrafts (see note 14)	100,000	364,363	100,000	300,000
Preference shares (see note 14)	-	309,843	-	309,843
Trade creditors	1,685,141	1,081,983	-	-
Amounts owed to group undertakings	-	-	275,000	182,003
Tax	156,457	250,000	-	-
Social security and other taxes	192,442	134,427	-	-
Other creditors	11,748	61,797	-	-
Dividends payable	-	105,158	-	105,158
Accrued expenses	582,738	439,773	48,393	39,094
	<u>2,728,526</u>	<u>2,747,344</u>	<u>423,393</u>	<u>936,098</u>

13 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Bank loans (see note 14)	200,000	225,000	200,000	225,000
Other loans (see note 14)	1,113,702	1,113,712	1,113,702	1,113,712
Amounts owed to group undertakings	1,358,196	1,200,000	1,358,196	1,200,000
	<u>2,671,898</u>	<u>2,538,712</u>	<u>2,671,898</u>	<u>2,538,712</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012

14 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Amounts falling due within one year or on demand				
Bank overdrafts	-	64,363	-	-
Bank loans	100,000	300,000	100,000	300,000
Preference shares	-	309,843	-	309,843
	<u>100,000</u>	<u>674,206</u>	<u>100,000</u>	<u>609,843</u>
Amounts falling due between one and two years				
Bank loans - 1-2 years	200,000	225,000	200,000	225,000
Preference shares	663,702	663,712	663,702	663,712
	<u>863,702</u>	<u>888,712</u>	<u>863,702</u>	<u>888,712</u>
Amounts falling due between two and five years				
Directors loan account	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>

Details of shares shown as liabilities are as follows

Allotted, issued and fully paid			2012	2011
Number	Class	Nominal value	£	£
663,702	Preference Shares	£1	663,702	973,555
(2011 - 973,555)			<u></u>	<u></u>

15 OPERATING LEASE COMMITMENTS

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

Group	Land and buildings		Other operating leases	
	2012 £	2011 £	2012 £	2011 £
Expiring				
Within one year	-	44,333	-	-
Between one and five years	47,212	-	8,549	12,899
In more than five years	-	33,048	-	-
	<u>47,212</u>	<u>77,381</u>	<u>8,549</u>	<u>12,899</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012

16 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Bank loans	<u>300,000</u>	<u>525,000</u>	<u>300,000</u>	<u>525,000</u>

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

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2012 £	2011 £
484,297	Ordinary Share Capital		484,297	726,445
(2011 - 726,445)			<u> </u>	<u> </u>

18 RESERVES

Group

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 April 2011	(131,800)	-	(131,800)
Profit for the year	59,456		59,456
Purchase of own shares	309,853	72,549	382,402
At 31 March 2012	<u>237,509</u>	<u>72,549</u>	<u>310,058</u>

Company

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 April 2011	(15,706)	-	(15,706)
Profit for the year	238,635		238,635
Purchase of own shares	309,853	72,549	382,402
At 31 March 2012	<u>532,782</u>	<u>72,549</u>	<u>605,331</u>

19 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 £39,210 (2011 £80,440). £1,682 (2011 £3,505) was outstanding at the period end.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012**

20 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the year ended 31 March 2012 and the period ended 31 March 2011

	2012 £	2011 £
D Nock		
Balance outstanding at start of year	176,437	158,134
Amounts advanced	-	35,040
Amounts repaid	(176,437)	(16,737)
Balance outstanding at end of year	<u>-</u>	<u>176,437</u>
 R Douglas		
Balance outstanding at start of year	9,375	9,375
Amounts advanced	5,000	-
Amounts repaid	(625)	-
Balance outstanding at end of year	<u>13,750</u>	<u>9,375</u>

During the year ended 30 September 2008 a loan of £9,375 was made to R Douglas, a director of the company. The loan is 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 parent undertaking, R Douglas ceasing to be an employee of the company, or 4 April 2018.

During the year ended 31 March 2012 a loan of £5,000 was made to R Douglas, a director of the company. The loan is interest free, unsecured, and repayable on the earlier of September 2015, R Douglas ceasing to be an employee of the company, or an event occurring which results in the realisation of share value in Denton Associates (Holdings) Limited, the parent undertaking.

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.

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.

21 RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

The company has provided the bank with an unlimited Inter Company Guarantee in relation to itself and Denton Associates (Holdings) Limited.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012

21 RELATED PARTY DISCLOSURES - continued

R Nock

Wife of D Nock, a director of the company

During the year R Nock provided sales consultancy services to the company of £nil (2011 £11,204)

	2012	2011
	£	£
Amount due to related party at the balance sheet date	-	1,417

M Halewood

Director

During the year, interest totalling £13,500 (2011 £20,334) was payable to M Halewood by the company. Interest is charged at 3% per annum and the loan and interest are not repayable until the bank loan has been repaid in full.

	2012	2011
	£	£
Amount due to related party at the balance sheet date	490,626	477,126

22 ULTIMATE CONTROLLING PARTY

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

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2012	2011
	£	£
Profit for the financial year	59,456	90,225
Dividends	-	(180,158)
	59,456	(89,933)
Other recognised gains and losses relating to the year (net)	309,853	-
Payments to acquire own shares	(169,599)	-
Net addition/(reduction) to shareholders' funds	199,710	(89,933)
Opening shareholders' funds	594,645	684,578
Closing shareholders' funds	794,355	594,645

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2012

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company

	2012 £	2011 £
Profit/(loss) for the financial year	238,635	(23,355)
Dividends	-	(180,158)
	238,635	(203,513)
Other recognised gains and losses relating to the year (net)	309,853	-
Payments to acquire own shares	(169,599)	-
Net addition/(reduction) to shareholders' funds	378,889	(203,513)
Opening shareholders' funds	710,739	914,252
Closing shareholders' funds	1,089,628	710,739

24 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. D Nock resigned as a director of the company on 10 May 2011.

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.