

CFR INVESTMENTS LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 OCTOBER 2011

THURSDAY



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24/05/2012

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COMPANIES HOUSE

Registration number: 07012921

The directors present their report and the audited consolidated financial statements for the year ended 31 October 2011

Directors

The directors who held office during the year were as follows

- M B Roberts
- K M Roberts

Principal activity

The principal activity of the group is that of a holding company for a group of companies engaged in electrical installation work

Business review

Fair review of the business

At the year end the group had shareholders' funds of £719,592 including distributable profits of £619,592. The directors believe the group's position to be satisfactory especially as the group's net current assets exceed its current liabilities by £376,125

The directors have assessed the possible risks facing the group over the next twelve months with the continuing UK economic instability remaining the major risk factor

The directors have implemented a strategic business plan for 2011/12 with the overall view of maintaining the current framework agreements with long established blue chip clients. The directors believe that by focusing on customer service and retaining a lean business model this will not only mitigate any possible risks but will also see consistent growth and satisfactory trading results for the coming year

Financial instruments

Objectives and policies

The group and company finances its operations through a mixture of retained profits, and where necessary to fund expansion or capital expenditure programmes through bank borrowings

The management's objectives are to

- retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due whilst maximising returns on surplus funds,
- minimise the company's exposure to fluctuating interest rates when seeking new borrowings, and
- match the repayment schedule of any external borrowings or overdrafts with the expected future cash flows expected to arise from the company's trading activities

As the group's and company's funds are invested in sterling bank deposit accounts there is no price risk exposure

The group's and company's funds are held primarily in short term variable deposit accounts. The directors believe that this gives them the flexibility to release cash resources at short notice and also allows them to take advantage of changing conditions in the finance markets as they arise

Future developments

The directors consider that the group is well placed to perform satisfactorily given a favourable trading environment

CFR INVESTMENTS LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 OCTOBER 2011

Results and dividend

The results for the group are set out in the financial statements

The directors do not recommend the payment of a dividend

Fixed assets

In the opinion of the directors no fixed assets have a significant difference in value between the book value reported and the market value

Creditor payment policy

The group undertakes to make payments to suppliers for goods and services supplied within the normal credit periods agreed with those suppliers. The average payment term for the year ended 31 October 2011 was 53 days (2010 - 41 days)

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of

Reappointment of auditors

The auditors, Cassons, are deemed to be reappointed under section 487(2) of the Companies Act 2006

Approved by the Board on 10-05-2012
and signed on its behalf by

M B Roberts
Director



CFR INVESTMENTS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31 OCTOBER 2011

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and 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 a going concern basis unless it is inappropriate to presume that the group will continue in business.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CFR INVESTMENTS LIMITED
YEAR ENDED 31 OCTOBER 2011**

We have audited the group and parent company financial statements ("the financial statements") of CFR Investments Limited for the year ended 31 October 2011, set out on pages 6 to 21. 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 Sections 495 and 496 of the Companies Act 2006. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and 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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 October 2011 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CFR INVESTMENTS LIMITED
YEAR ENDED 31 OCTOBER 2011**

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

Anthony Reynolds (Senior Statutory Auditor)
For and on behalf of

Cassons, Statutory Auditor
Rational House
64 Bridge Street
Manchester
M3 3BN

Date 14 - 05 - 12

CFR INVESTMENTS LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 OCTOBER 2011

	Note	2011	2010
		£	£
Turnover	2	26,790,825	18,805,548
Cost of sales		(21,576,620)	(14,301,531)
Gross profit		<u>5,214,205</u>	<u>4,504,017</u>
Administrative expenses		(4,890,652)	(4,383,431)
Operating profit	3	<u>323,553</u>	<u>120,586</u>
Other interest receivable and similar income		417	15
Interest payable and similar charges	6	(27,886)	(30,839)
Profit on ordinary activities before taxation		<u>296,084</u>	<u>89,762</u>
Tax on profit on ordinary activities	7	(145,063)	(29,421)
Profit for the financial year	19	<u>151,021</u>	<u>60,341</u>

Turnover and operating profit derive wholly from continuing operations

The group has no recognised gains or losses for the year other than the results above

CFR INVESTMENTS LIMITED
CONSOLIDATED BALANCE SHEET
31 OCTOBER 2011

		2011		2010	
	Note	£	£	£	£
Fixed assets					
Tangible assets	9		363,584		243,191
Current assets					
Stocks	11	19,066		79,304	
Debtors	12	5,737,484		4,680,736	
Cash at bank and in hand		764,709		1,133	
		<u>6,521,259</u>		<u>4,761,173</u>	
Creditors: Amounts falling due within one year	13	(6,145,134)		(4,419,495)	
Net current assets			<u>376,125</u>		<u>341,678</u>
Total assets less current liabilities			739,709		584,869
Provisions for liabilities	15		(20,117)		(16,298)
Net assets			<u>719,592</u>		<u>568,571</u>
Capital and reserves					
Called up share capital	17		1		1
Merger reserve	18		99,999		99,999
Profit and loss account	19		619,592		468,571
Shareholder's funds	20		<u>719,592</u>		<u>568,571</u>

Approved by the Board on 10-05-2012
and signed on its behalf by

M B Roberts
Director



CFR INVESTMENTS LIMITED
COMPANY BALANCE SHEET
31 OCTOBER 2011

		2011		2010	
	Note	£	£	£	£
Fixed assets					
Investments	10		100		100
Current assets					
Cash at bank and in hand		1		1	
Creditors: Amounts falling due within one year					
	13	(100)		(100)	
Net current liabilities			(99)		(99)
Total assets less current liabilities			1		1
Net assets			1		1
Capital and reserves					
Called up share capital	17		1		1
Profit and loss account	19		-		-
Shareholder's funds			1		1

Approved by the Board on
and signed on its behalf by

10-05-2012

M B Roberts
Director

M B Roberts

CFR INVESTMENTS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 OCTOBER 2011

Reconciliation of operating profit to net cash flow from operating activities

	2011	2010
	£	£
Operating profit	323,553	120,586
Depreciation, amortisation and impairment charges	100,720	91,044
Profit on disposal of fixed assets	(2,600)	(247)
Decrease in stocks	60,238	14,350
Increase in debtors	(1,056,748)	(1,408,580)
Increase in creditors	1,681,951	1,035,282
Net cash inflow/(outflow) from operating activities	<u>1,107,114</u>	<u>(147,565)</u>

Cash flow statement

	2011	2010
	£	£
Net cash inflow/(outflow) from operating activities	<u>1,107,114</u>	<u>(147,565)</u>

Returns on investments and servicing of finance

Interest received	417	15
Interest paid	<u>(27,886)</u>	<u>(30,839)</u>
	<u>(27,469)</u>	<u>(30,824)</u>
Taxation	<u>(46,959)</u>	<u>(10,486)</u>

Capital expenditure and financial investment

Purchase of tangible fixed assets	(221,113)	(86,260)
Sale of tangible fixed assets	2,600	11,600
	<u>(218,513)</u>	<u>(74,660)</u>
Net cash inflow/(outflow) before management of liquid resources and financing	814,173	(263,535)
Increase/(decrease) in cash	<u>814,173</u>	<u>(263,535)</u>

Reconciliation of net cash flow to movement in net debt

		2011	2010
		£	£
Increase/(decrease) in cash in the year		<u>814,173</u>	<u>(263,535)</u>
Movement in net debt	23	814,173	(263,535)
Net (debt)/funds at the start of the year	23	<u>(49,464)</u>	<u>214,071</u>
Net funds/(debt) at the end of the year	23	<u>764,709</u>	<u>(49,464)</u>

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

1 Accounting policies

Basis of preparation

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

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31 October 2011. The acquisitions method of accounting has been adopted.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business net of VAT.

Profit is recognised on contracting activity if the financial outcome can be assessed with reasonable certainty by including in the profit and loss account, turnover and related costs as contract activity progresses. Turnover is calculated by the value of work performed to date as a proportion of the total contract value, less any future foreseeable losses.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Leasehold improvements	10% straight line
Plant and machinery	25% straight line
Motor vehicles	25% straight line

Stock and long-term contracts

Stocks and work in progress other than long term contracts are stated at the lower of cost and net realisable value. Cost represents materials, direct labour and appropriate production overheads. Net realisable value is based on estimated selling price less all further costs to completion and all relevant selling and distribution costs.

Amounts recoverable on long term contracts which are included in debtors are stated at the net sales value of the work done less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Operating leases

Rentals applicable to leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 (Related Party Disclosures) not to disclose transactions with its parent company and fellow subsidiaries, as its parent company CFR Investments Limited publishes publicly available consolidated financial statements.

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

Pensions

Retirement benefits to employees are funded by contributions from the group. Payments are made to insurance companies. These payments are charged against the profits of the year as paid.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

2 Turnover

The total turnover of the group and the company for the year has been derived from the group's principal activity wholly undertaken in the United Kingdom.

3 Operating profit

Operating profit is stated after charging/(crediting)

	2011	2010
	£	£
Operating leases - plant and machinery	15,187	12,546
Operating leases - other assets	562,267	456,679
Auditors' remuneration - audit services		
- fees payable to the entity's auditor for the audit of the entity's accounts	1,600	1,540
Fees payable to the entity's auditor for other services		
- the audit of the entity's subsidiaries pursuant to legislation	29,090	26,610
- other services relating to taxation	5,000	5,000
- other services	1,175	1,175
Profit on disposal of tangible fixed assets	(2,600)	(247)
Depreciation of owned assets	<u>100,720</u>	<u>91,044</u>

The cost of the auditors' remuneration is borne by the main trading subsidiary, C F Roberts (Electrical Contractors) plc.

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

4 Particulars of employees

The average number of persons employed by the group (including directors) during the year, analysed by category, was as follows

	2011 No.	2010 No.
Production	85	105
Administration	118	73
	<u>203</u>	<u>178</u>

The aggregate payroll costs of these persons were as follows

	2011 £	2010 £
Wages and salaries	5,644,583	4,939,266
Social security costs	551,583	516,318
Other pension costs	198,643	181,656
	<u>6,394,809</u>	<u>5,637,240</u>

5 Directors' remuneration

No remuneration was paid to the directors during the year

The cost of the services of the company's directors has been borne by a related party, C F Roberts (Holdings) Limited, and recharged to the group as an element of the management charges made by C F Roberts (Holdings) Limited

6 Interest payable and similar charges

	2011 £	2010 £
Interest on bank borrowings	27,858	29,072
Other interest payable	28	1,767
Group interest payable and similar charges	<u>27,886</u>	<u>30,839</u>

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

7 Taxation

Tax on profit on ordinary activities

	2011 £	2010 £
Current tax		
Corporation tax charge	107,408	13,123
(Over)/under provision in previous year	<u>33,836</u>	<u>-</u>
UK Corporation tax	<u>141,244</u>	<u>13,123</u>
Deferred tax		
Deferred tax	<u>3,819</u>	<u>16,298</u>
Total tax on profit on ordinary activities	<u>145,063</u>	<u>29,421</u>

Factors affecting current period tax charge for the year

The tax assessed on the profit on ordinary activities for the year is higher than (2010 - lower than) the standard rate of corporation tax in the UK of 26.00% (2010 - 21.00%)

The differences are reconciled below

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>296,084</u>	<u>89,762</u>
Standard rate corporation tax charge	76,982	18,850
Difference between depreciation and capital allowances	(12,487)	(12,103)
Marginal relief	(1,508)	-
Expenses not deductible for tax purposes	41,062	30,526
Underprovision in previous year	33,836	-
Sundry tax adjusting items	<u>3,359</u>	<u>(24,150)</u>
Total current tax for the year	<u>141,244</u>	<u>13,123</u>

Factors which may affect future tax charges

There are no factors affecting the future tax charge of the group or company

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

8 Profit of the Parent Company

Under section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account. Its profit for the financial year was £nil (2010 - £nil) as the company has not traded during the year.

9 Tangible fixed assets

Group

	Leasehold improve- ments £	Plant and machinery £	Motor vehicles £	Total £
Cost				
As at 1 November 2010	163,741	315,082	146,605	625,428
Additions	-	199,113	22,000	221,113
Disposals	-	-	(33,851)	(33,851)
As at 31 October 2011	<u>163,741</u>	<u>514,195</u>	<u>134,754</u>	<u>812,690</u>
Depreciation				
As at 1 November 2010	57,082	213,687	111,468	382,237
Charge for the year	16,373	58,671	25,676	100,720
Eliminated on disposals	-	-	(33,851)	(33,851)
As at 31 October 2011	<u>73,455</u>	<u>272,358</u>	<u>103,293</u>	<u>449,106</u>
Net book value				
As at 31 October 2011	<u>90,286</u>	<u>241,837</u>	<u>31,461</u>	<u>363,584</u>
As at 31 October 2010	<u>106,659</u>	<u>101,395</u>	<u>35,137</u>	<u>243,191</u>

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

10 Investments held as fixed assets

Company

	Investment in subsidiary undertaking £
Cost	
As at 1 November 2010 and 31 October 2011	<u>100</u>
Net book value	
As at 31 October 2011	<u>100</u>
As at 31 October 2010	<u>100</u>

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows

	Principal activity	Holding	%
Subsidiary undertakings			
CFR Group Services Limited	Holding company	Ordinary	100
CFR Group plc*	Electrical contractors	Ordinary	100
C F Roberts (Electrical Contractors) plc*	Electrical contractors	Ordinary	100
CFR Group Design & Build Limited*	Dormant company	Ordinary	100
One Building Services (UK) Limited (formerly CFR Group Hereford Limited)*	Dormant company	Ordinary	100
Marbid Partnership Limited*	Dormant company	Ordinary	100
Strebor Fire & Security Systems Limited*	Dormant company	Ordinary	100

The voting rights are held in the same proportion as the shareholdings

* Shares in these companies are held by CFR Group Services Limited

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

11 Stocks and work in progress

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Raw materials	<u>19,066</u>	<u>79,304</u>	<u>-</u>	<u>-</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material

12 Debtors

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	4,019,164	3,132,035	-	-
Amounts recoverable on long term contracts	1,504,178	1,405,040	-	-
Other debtors	10,116	12,246	-	-
Prepayments and accrued income	<u>204,026</u>	<u>131,415</u>	<u>-</u>	<u>-</u>
	<u>5,737,484</u>	<u>4,680,736</u>	<u>-</u>	<u>-</u>

All debtors fall due within one year of the balance sheet date

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

13 Creditors: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	-	50,597	-	-
Trade creditors	4,077,822	2,772,258	-	-
Amounts owed to related undertakings	712,412	689,048	-	-
Corporation tax	107,408	13,123	-	-
Social security and other taxes	643,415	558,857	-	-
Other creditors	339,375	146,658	100	100
Accruals and deferred income	264,702	188,954	-	-
	<u>6,145,134</u>	<u>4,419,495</u>	<u>100</u>	<u>100</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the group/company

Group

	2011	2010
	£	£
Bank overdraft	<u>-</u>	<u>50,597</u>

The bank overdraft is secured by the following, all of which incorporate fixed and floating charges over the assets of the subsidiary companies

- a composite accounting system agreement and guarantee dated 16 November 2004
- a cross guarantee and debenture dated 15 November 2004

14 Derivatives

The group and company have no financial instruments that fall to be classified as derivatives

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

15 Provisions for liabilities

Group

	Deferred tax
	£
As at 1 November 2010	16,298
Deferred tax provision charged to the profit and loss account	<u>3,819</u>
As at 31 October 2011	<u>20,117</u>

Analysis of deferred tax

	2011	2010
	£	£
Accelerated capital allowances	<u>20,117</u>	<u>16,298</u>

16 Pension scheme

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £198,643 (2010 - £181,656).

Contributions totalling £nil (2010 - £nil) were payable to the scheme at the end of the year and are included in creditors.

17 Share capital

Allotted, called up and fully paid shares

	2011	2010
	£	£
Equity		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

18 Other reserves

Group

	Merger
	reserve
	£
Balance at 1 November 2010 and 31 October 2011	<u>99,999</u>

In accordance with FRS6 Acquisitions and Mergers, the merger reserve relates to the acquisition of CFR Group Services Limited and its subsidiaries by the company.

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

19 Reserves

Group

	Profit and loss account
	£
Balance at 1 November 2010	468,571
Transfer from profit and loss account for the year	151,021
Balance at 31 October 2011	<u>619,592</u>

Company

	Profit and loss account
	£
Balance at 1 November 2010	-
Transfer from profit and loss account for the year	-
Balance at 31 October 2011	<u>-</u>

20 Reconciliation of movements in shareholders' funds

	Group	
	2011	2010
	£	£
Profit attributable to the members of the group	151,021	60,341
Dividends	<u>-</u>	<u>-</u>
	151,021	60,341
Shareholders' funds at 1 November 2010	568,571	508,230
Shareholders' funds at 31 October 2011	<u>719,592</u>	<u>568,571</u>

21 Contingent liabilities

Certain group companies are party to a group VAT registration. The group's liability in respect thereof at 31 October 2011 was £420,970 (2010 - £367,033)

Certain fellow group companies have entered into a composite banking agreement dated 16 November 2004 and a cross guarantee and debenture dated 15 November 2004. At 31 October 2011, the amount of the liability was £279,623 (2010 - £205,200)

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

22 Operating lease commitments

Group

As at 31 October 2011 the group had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	Land and buildings		Assets other than land and buildings	
	2011	2010	2011	2010
	£	£	£	£
Within one year	11,833	102,700	19,229	63,240
Within two and five years	-	-	495,777	238,347
Over five years	120,000	-	-	1,000
	<u>131,833</u>	<u>102,700</u>	<u>515,006</u>	<u>302,587</u>

23 Analysis of net (debt)/funds

	At start of period	Cash flow	At end of period
	£	£	£
Cash at bank and in hand	1,133	763,576	764,709
Bank overdraft	(50,597)	50,597	-
Cash and bank net (debt)/funds	<u>(49,464)</u>	<u>814,173</u>	<u>764,709</u>
Net (debt)/funds	<u>(49,464)</u>	<u>814,173</u>	<u>764,709</u>

CFR INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

24 Related party transactions

Other related party transactions

Group

The group continued to receive the benefit of a loan, for the purposes of working capital, of £250,000 (2010 - £250,000) from Barrington Investments Limited, a company under the common control of M B Roberts

The group continued to receive the benefit of a loan, for the purposes of working capital, of £462,412 (2010 - £439,048) from C F Roberts (Holdings) Limited, a company under the common control of M B Roberts

These loans are interest free, repayable on demand, and included within Creditors Amounts owed to related undertakings

The group paid rent for its operating premises, on a commercial basis, of £21,000 (2010 - £39,000) to M B Roberts, the majority shareholder of the group. The group also paid rent for its operating premises, on a commercial basis, of £85,333 (2010 - £70,000) to C F Roberts (Holdings) Limited, a company under common control of M B Roberts

During the year, the group made sales and recharges to ECS Compliance Services Limited, a company in which the directors of the group, Mr M B Roberts, Mr I R Henderson and Mr P S Roberts, have an interest. The sales and recharges to that company during the year amounted to £5,238 (2010 - £nil) and £594,487 (2010 - £17,483) respectively

At the balance sheet date the amount due from ECS Compliance Services Limited was £5,164 (2010 - £12,656)

Company

At 31 October 2011, the company owed £100 (2010 - £100) to related companies under common ownership and are included within Other Creditors in the consolidated financial statements

The company has taken advantage of the exemption available under Financial Reporting Standard No 8 not to disclose transactions with fellow wholly owned subsidiaries, as the group prepares consolidated accounts that are publicly available

25 Control

The ultimate controlling party is Mr M B Roberts by virtue of his majority shareholding in the company