

Registered number OC331125

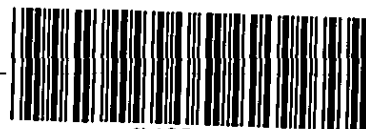
Dains LLP

Annual report and financial statements

For the year ended 31 March 2012



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Dains LLP
Information

Designated Members	M F P Smith M Castree A McQuillan N J Hawksley S G Wright, Chief Executive R C McNeilly S C H Bursell A P Morris P D Bradshaw R E Farmer M C Hargate L E Richards J P Southwell P Pellegrini (appointed 1 April 2012) S D Rogers (appointed 1 April 2012) P G Luty (appointed 1 April 2012) Dains Group Limited
LLP registered number	OC331125
Registered office	St John's Court Wiltell Road Lichfield Staffordshire WS14 9DS
Auditors	Price Bailey LLP Statutory Auditor Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

Dains LLP

Members' report For the year ended 31 March 2012

The members present their annual report together with the audited financial statements of Dains LLP (the LLP and the group) for the year ended 31 March 2012

Principal activities

The principal activity of the LLP and the group is the provision of accounting and other related business services

There have been no changes in the activity since the last annual report

Designated Members

M F P Smith, M Castree, A McQuillan, N J Hawksley, S G Wright, R C McNeilly, S C H Bursell, A P Morris, P D Bradshaw, R E Farmer, M C Hargate, L E Richards, J P Southwell, and Dains Group Limited were designated members of the LLP and the group throughout the year

On 1 April 2012, P Pellegrini, S D Rogers and P G Luty were appointed designated members of the LLP

Members' capital and interests

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP

Details of changes in members' capital in the year ended 31 March 2012 are set out in the financial statements

Members are remunerated from the profits of the LLP and are required to make their own provision for taxation, pensions and other benefits. Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business. The Remuneration Committee sets members profit shares in advance and reviews the allocation annually. Members profit share comprises a fixed element and a number of profit points, the value of which is dependent upon the level of profits achieved. Profits are allocated in full and there is transparency amongst the members of the total income allocated to each individual.

Members' responsibilities statement

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law, as applied to LLPs, requires the members to prepare financial statements for each financial year. Under that law the members 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, as applied to LLPs, the members 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 LLP and the group and of the profit or loss of the group for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the entity's transactions and disclose with reasonable accuracy at any time the financial position of 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 LLP and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the LLP and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

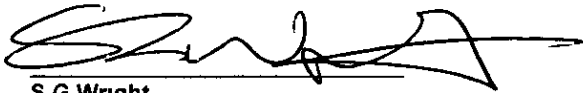
Dains LLP

Members' report (continued)
For the year ended 31 March 2012

Auditors

The auditors, Price Bailey LLP, have indicated their willingness to continue in office. The Designated members will propose a motion re-appointing the auditors at a meeting of the members.

This report was approved by the members on 19 December 2012 and signed on their behalf, by

A handwritten signature in black ink, appearing to be 'S G Wright', written over a horizontal line.

S G Wright
Chief Executive

Dains LLP

Independent auditors' report to the members of Dains LLP

We have audited the group and parent LLP financial statements of Dains LLP for the year ended 31 March 2012, which comprise the consolidated profit and loss account, the consolidated and LLP balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the Members' responsibilities statement, the members 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 LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the designated members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' 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 LLP'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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Dains LLP

Independent auditors' report to the members of Dains LLP

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, as applied to limited liability partnerships, requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent LLP financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit

Paul Martin FCA (Senior statutory auditor)

for and on behalf of

Price Bailey LLP

Statutory Auditor
Chartered Accountants

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

21 December 2012

Dains LLP**Consolidated profit and loss account
For the year ended 31 March 2012**

	Note	2012 £	2011 £
Turnover	1,2	6,824,270	6,530,755
Other operating charges		(1,631,300)	(1,605,405)
Staff costs		(2,905,902)	(2,966,847)
Depreciation and amortisation		(193,328)	(138,445)
Operating profit	3	2,093,740	1,820,058
Interest receivable		25	5
Interest payable	7	(61,087)	(59,334)
Profit on ordinary activities before taxation		2,032,678	1,760,729
Tax on profit on ordinary activities	8	(7,580)	7,594
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members		2,025,098	1,768,323

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

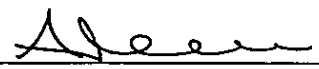
The notes on pages 10 to 23 form part of these financial statements

Dains LLP
Registered number OC331125

Consolidated balance sheet
As at 31 March 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Intangible assets	9		-		71,046
Tangible assets	10		420,925		485,187
Investments	11		249,750		242,949
			670,675		799,182
Current assets					
Stocks	12	3,075		7,597	
Debtors	13	4,654,449		4,302,131	
Cash at bank and in hand		3,919		4,134	
			4,661,443	4,313,862	
Creditors amounts falling due within one year	14	(2,657,786)		(2,437,990)	
Net current assets			2,003,657		1,875,872
Total assets less current liabilities			2,674,332		2,675,054
Creditors amounts falling due after more than one year	15		(96,578)		(299,326)
Net assets attributable to members			2,577,754		2,375,728
Represented by					
Loans and other debts due to members within one year					
Members' capital classified as a liability under FRS 25			2,000,000	2,000,000	
Other reserves			577,754	375,728	
	23		2,577,754		2,375,728
Total members' interests			2,577,754		2,375,728
Loans and other debts due to members within one year			2,577,754		2,375,728

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 19 December 2012


A McQuillan
 Finance Executive

The notes on pages 10 to 23 form part of these financial statements

Dains LLP
Registered number OC331125

LLP balance sheet
As at 31 March 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Intangible assets	9		-		71,046
Tangible assets	10		420,925		482,096
Investments	11		269,750		262,949
			<u>690,675</u>		<u>816,091</u>
Current assets					
Debtors	13	4,665,468		4,340,365	
Cash at bank and in hand		2,854		2,654	
		<u>4,668,322</u>		<u>4,343,019</u>	
Creditors amounts falling due within one year	14	(2,657,130)		(2,433,519)	
Net current assets			<u>2,011,192</u>		<u>1,909,500</u>
Total assets less current liabilities			<u>2,701,867</u>		<u>2,725,591</u>
Creditors amounts falling due after more than one year	15		(96,578)		(299,326)
Net assets attributable to members			<u><u>2,605,289</u></u>		<u><u>2,426,265</u></u>
Represented by					
Loans and other debts due to members within one year					
Members' capital classified as a liability under FRS 25		2,000,000		2,000,000	
Other reserves		<u>605,289</u>		<u>426,265</u>	
			<u><u>2,605,289</u></u>		<u><u>2,426,265</u></u>
Total members' interests					
Members' capital			<u>2,605,289</u>		<u>2,426,265</u>
	23		<u><u>2,605,289</u></u>		<u><u>2,426,265</u></u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 19 December 2012



A McQuillan
Finance Executive

The notes on pages 10 to 23 form part of these financial statements

Dains LLP**Consolidated cash flow statement
For the year ended 31 March 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	17	1,890,628	1,598,165
Returns on investments and servicing of finance	18	(61,062)	(59,329)
Capital expenditure and financial investment	18	(18,274)	(37,409)
Net cash flow from transactions with members	18	(1,823,072)	(1,583,927)
Cash outflow before financing		(11,780)	(82,500)
Financing	18	(57,452)	(108,264)
Decrease in cash in the year		(69,232)	(190,764)

**Reconciliation of net cash flow to movement in net debt
For the year ended 31 March 2012**

	2012 £	2011 £
Decrease in cash in the year	(69,232)	(190,764)
Cash outflow from decrease in debt and lease financing	1,880,524	1,842,191
Change in net debt resulting from cash flows	1,811,292	1,651,427
New finance lease	(46,547)	(113,653)
Other non-cash changes	(1,823,072)	(1,733,927)
Movement in net debt in the year	(58,327)	(196,153)
Net debt at 1 April 2011	(2,113,066)	(1,916,913)
Net debt at 31 March 2012	(2,171,393)	(2,113,066)

The notes on pages 10 to 23 form part of these financial statements

1. Accounting policies

1.1 Basis of preparation of financial statements

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year. The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

1.2 Basis of consolidation

The financial statements consolidate the financial statements of Dains LLP and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

The results of subsidiaries sold are included up to the effective date of disposal.

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

1.3 Turnover

Turnover represents the fair value of professional services provided during the year to clients. Turnover is recognised as contract activity progresses and the right to consideration is earned. Fair value reflects the amount expected to be recoverable from clients and is based on time spent, skills and expertise provided and expenses incurred, exclusive of VAT.

Turnover in respect of contingent fee assignments (over and above any agreed minimum fee which is recognised as above) is recognised in the period when the contingent event occurs and the fee is assured.

Turnover which has been recognised but not invoiced by the balance sheet date is included in debtors in 'accrued income'.

Amounts invoiced in advance are included in deferred income.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

1.5 Tangible fixed assets and depreciation

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

Leasehold improvements	-	10 years straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	between 8 and 15 years straight line
Computer equipment	-	3 years straight line

1.6 Investments

- (i) Fixed asset investments are stated in the financial statements at members' valuation under the alternative accounting rules permitted by paragraph 32(3) of schedule 1 to the Accounting Regulations. Members' valuation is the surrender value plus predicted final bonuses, on the basis that the members anticipate the investments to be held until completion of the policy.

1 Accounting policies (continued)

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the entity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

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

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

1.9 Stocks and work in progress

Work in progress is not recognised for financial services work or other work carried out on a conditional fee basis until such time as the conditions are satisfied.

1.10 Deferred taxation

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

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

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

Deferred tax assets and liabilities are not discounted.

1.11 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1.12 Dilapidation provision

Provision is made for any property dilapidation that has occurred when the obligation has been identified and an estimate of the cost thereof has been made with reasonable accuracy.

Provision is made for the estimated holding costs of all premises no longer required in the business, as soon as the group becomes committed to leaving the premises.

1.13 Taxation

Taxation on all the LLP's profits is solely the personal liability of individual members. Consequently neither taxation nor related deferred taxation arising in respect of Dains LLP is accounted for in these financial statements. Amounts retained for tax are treated in the same way as other profits of the LLP and so are included in debts due to members.

The subsidiary companies included within these consolidated financial statements are subject to corporation tax based on their profits for the accounting period. The tax liabilities and any deferred taxation of these companies are recorded in the profit and loss account under the relevant heading and any related asset/liability is carried as a debtor/creditor in the consolidated balance sheet.

1 Accounting policies (continued)**1 14 Capital**

The capital requirement of the LLP is determined from time to time by the Executive Board. Each member is required to subscribe a proportion of this capital, known as the member's share.

On leaving the LLP a member's share may be transferred to continuing members, or repaid to the member, unless other arrangements have been agreed between the member and the board. Amounts due to retired members are included in creditors.

1 15 Allocation of profits and drawings

The allocation of the profits to members occurs regularly throughout the year, such that on approval of the annual financial statements all profit realised by the LLP in the relevant period has been allocated to members.

During the year members receive monthly drawings, and from time to time, additional payments. The level and timing of the drawings is decided by the Remuneration Committee, taking into account the LLP's cash requirements for operating and investing activities. Both the monthly and other drawings represent payments of current year profits.

2 Turnover

All turnover arose within the United Kingdom and from the group's principal activity.

3 Operating profit

The operating profit is stated after charging

	2012 £	2011 £
Amortisation of intangible fixed assets	71,046	71,044
Depreciation of tangible fixed assets		
- owned by the group	39,579	61,522
- held under finance leases	82,703	53,446
Operating lease rentals		
- plant and machinery	24,456	25,190
- other operating leases	224,856	208,224
	<u>224,856</u>	<u>208,224</u>

The profit of the LLP for the year was £2,002,096 (2011 - £1,736,540)

4 Auditors' remuneration

	2012 £	2011 £
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	11,290	10,925
Fees payable to the LLP's auditor and its subsidiaries in respect of: - The auditing of accounts of subsidiaries of the LLP pursuant to legislation	660	647
	<u>660</u>	<u>647</u>

Dains LLP**Notes to the financial statements
For the year ended 31 March 2012****5 Staff costs**

Staff costs, were as follows

	2012 £	2011 £
Wages and salaries	2,605,872	2,656,377
Social security costs	230,030	236,808
Other pension costs	68,713	72,332
	<u>2,904,615</u>	<u>2,965,517</u>

The average monthly number of persons employed during the year was as follows

	2012 No	2011 No
Administration	26	27
Professional	74	74
	<u>100</u>	<u>101</u>

6 Information in relation to members

	2012 Number	2011 Number
The average number of members during the year was	<u>13</u>	<u>12</u>
	£	£
The average members remuneration during the year was	<u>129,717</u>	<u>122,850</u>
The amount of profit attributable to the member with the largest entitlement was	<u>158,137</u>	<u>149,055</u>

The average members remuneration figures above exclude the member's share of Dains Group Limited of £315,779 (2011 £262,338)

7 Interest payable

	2012 £	2011 £
On bank loans and overdrafts	50,502	47,529
On other loans	2,121	3,583
On finance leases and hire purchase contracts	8,464	8,222
	<u>61,087</u>	<u>59,334</u>

Dains LLP**Notes to the financial statements
For the year ended 31 March 2012****8 Taxation**

The financial statements do not incorporate any charge or liability for taxation on the results of the LLP, as the relevant income tax is the responsibility of the individual members

Corporation tax arises in corporate subsidiaries as follows

	2012 £	2011 £
Analysis of tax charge in the year		
Deferred tax (see note 16)		
Origination and reversal of timing differences	7,580	(7,594)
Tax on profit on ordinary activities	<u>7,580</u>	<u>(7,594)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 26% (2011 - 28%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>2,032,678</u>	<u>1,760,729</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	528,496	493,004
Effects of		
(Capital allowances in excess of depreciation) / Depreciation in excess of capital allowances for year	(321)	830
Utilisation of tax losses	(7,630)	-
Profits of LLP for the year not subject to corporation tax	(520,545)	(486,232)
Unrelieved tax losses carried forward	-	5,716
Other differences leading to a decrease in the tax charge	-	(13,318)
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

Dains LLP

Notes to the financial statements
For the year ended 31 March 2012

9 Intangible fixed assets

	Goodwill £
Group and LLP	
Cost	
At 1 April 2011 and 31 March 2012	319,173
Amortisation	
At 1 April 2011	248,127
Charge for the year	71,046
At 31 March 2012	319,173
Net book value	
At 31 March 2012	-
At 31 March 2011	71,046

Dains LLP

Notes to the financial statements
For the year ended 31 March 2012

10 Tangible fixed assets

Group	Leasehold improvements £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 April 2011	8,187	5,145	742,689	648,819	1,404,840
Additions	2,055	-	8,103	47,862	58,020
Disposals	-	-	(363,354)	(78,877)	(442,231)
At 31 March 2012	10,242	5,145	387,438	617,804	1,020,629
Depreciation					
At 1 April 2011	522	2,252	516,570	400,309	919,653
Charge for the year	1,170	724	20,319	100,069	122,282
On disposals	-	-	(363,354)	(78,877)	(442,231)
At 31 March 2012	1,692	2,976	173,535	421,501	599,704
Net book value					
At 31 March 2012	8,550	2,169	213,903	196,303	420,925
At 31 March 2011	7,665	2,893	226,119	248,510	485,187

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

Group	2012 £	2011 £
Computer equipment	188,522	224,678

LLP	Leasehold improvements £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 April 2011	8,187	5,145	742,689	628,812	1,384,833
Additions	2,055	-	8,103	50,821	60,979
Disposals	-	-	(363,354)	(78,877)	(442,231)
At 31 March 2012	10,242	5,145	387,438	600,756	1,003,581
Depreciation					
At 1 April 2011	522	2,252	516,570	383,393	902,737
Charge for the year	1,170	724	20,319	99,937	122,150
On disposals	-	-	(363,354)	(78,877)	(442,231)
At 31 March 2012	1,692	2,976	173,535	404,453	582,656
Net book value					
At 31 March 2012	8,550	2,169	213,903	196,303	420,925
At 31 March 2011	7,665	2,893	226,119	245,419	482,096

Dains LLP

**Notes to the financial statements
For the year ended 31 March 2012**

10 Tangible fixed assets (continued)

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

	2012 £	2011 £
LLP		
Computer equipment	188,522	224,678

11 Fixed asset investments

	Other investments £
Group	
Cost or valuation	
At 1 April 2011	242,949
Additions	6,801
At 31 March 2012	249,750
Net book value	
At 31 March 2012	249,750
At 31 March 2011	242,949

	Shares in group undertakings £	Other investments £	Total £
LLP			
Cost or valuation			
At 1 April 2011	20,000	242,949	262,949
Additions	-	6,801	6,801
At 31 March 2012	20,000	249,750	269,750
Net book value			
At 31 March 2012	20,000	249,750	269,750
At 31 March 2011	20,000	242,949	262,949

Details of the principal subsidiaries can be found under note number 24

12 Stocks

	Group		LLP	
	2012 £	2011 £	2012 £	2011 £
Work in progress	3,075	7,597	-	-

Dains LLP

**Notes to the financial statements
For the year ended 31 March 2012**

13 Debtors

	Group		LLP	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	4,385,509	4,024,851	4,385,508	4,024,847
Amounts owed by group undertakings	-	-	18,819	63,243
Other debtors	10,471	1,575	10,471	1,575
Prepayments	250,670	260,326	250,670	250,700
Deferred tax asset (see note 16)	7,799	15,379	-	-
	4,654,449	4,302,131	4,665,468	4,340,365

14 Creditors

Amounts falling due within one year

	Group		LLP	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	1,920,276	1,691,991	1,920,276	1,691,991
Net obligations under finance leases and hire purchase contracts	91,944	84,620	91,944	84,620
Trade creditors	222,994	252,229	222,994	251,970
Social security and other taxes	244,879	279,881	244,879	278,750
Proceeds of factored debts	66,514	41,263	66,514	41,263
Other creditors	52,538	31,854	52,538	31,716
Accruals and deferred income	58,641	56,152	57,985	53,209
	2,657,786	2,437,990	2,657,130	2,433,519

The bank overdraft is secured by a debenture of the assets of Dains LLP, a cross corporate guarantee and personal guarantees given by the members

The bank loan is secured on specific fixed asset investments of the LLP. Interest is payable at 1.75% above the Bank of Scotland Plc's base rate

Net obligations under finance leases and hire purchase contracts are secured on the assets to which the agreements relate

15 Creditors

Amounts falling due after more than one year

	Group		LLP	
	2012	2011	2012	2011
	£	£	£	£
Bank loan	-	159,268	-	159,268
Net obligations under finance leases and hire purchase contracts	96,578	140,058	96,578	140,058
	96,578	299,326	96,578	299,326

Dains LLP

**Notes to the financial statements
For the year ended 31 March 2012**

15 Creditors
Amounts falling due after more than one year (continued)

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

	Group		LLP	
	2012	2011	2012	2011
	£	£	£	£
Between one and five years	96,578	140,058	96,578	140,058

The bank loan is secured on specific fixed asset investments of the LLP. Interest is payable at 1.75% above the Bank of Scotland Plc's base rate.

Net obligations under finance leases and hire purchase contracts are secured on the assets to which the agreements relate.

16 Deferred taxation

	Group		LLP	
	2012	2011	2012	2011
	£	£	£	£
At beginning of year	15,379	7,785	-	-
Movement during the year	(7,580)	7,594	-	-
At end of year	7,799	15,379	-	-

The deferred taxation asset balance is made up as follows

	Group		LLP	
	2012	2011	2012	2011
	£	£	£	£
Decelerated/(accelerated) capital allowances	-	(643)	-	-
Tax losses carried forward	7,799	16,022	-	-
	7,799	15,379	-	-

17 Net cash flow from operating activities

	2012	2011
	£	£
Operating profit	2,093,740	1,820,058
Amortisation of intangible fixed assets	71,046	71,044
Depreciation of tangible fixed assets	122,282	114,968
Other non-cash changes	-	(47,567)
Decrease in stocks	4,522	14,521
Increase in debtors	(369,598)	(271,756)
Decrease in creditors	(31,364)	(103,103)
Net cash inflow from operating activities	1,890,628	1,598,165

18. Analysis of cash flows for headings netted in cash flow statement

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	25	5
Interest paid	(52,623)	(51,112)
Hire purchase interest	(8,464)	(8,222)
Net cash outflow from returns on investments and servicing of finance	(61,062)	(59,329)
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(11,473)	(30,609)
Purchase of unlisted and other investments	(6,801)	(6,800)
Net cash outflow from capital expenditure	(18,274)	(37,409)
	2012 £	2011 £
Transactions with members		
Payments to members	(1,823,072)	(1,733,927)
Contributions by members	-	150,000
Net cash outflow from transactions with members	(1,823,072)	(1,583,927)
Analysed as follows		
Net transactions with members relating to equity	-	150,000
Net transactions with members relating to debt	(1,823,072)	(1,733,927)
	(1,823,072)	(1,583,927)
	2012 £	2011 £
Financing		
Repayment of finance leases	(82,703)	(70,722)
Movements on factored debts	25,251	(37,542)
Net cash outflow from financing	(57,452)	(108,264)

Dains LLP

Notes to the financial statements For the year ended 31 March 2012

19 Analysis of changes in net debt

	1 April 2011 £	Cash flow £	Other non-cash changes £	31 March 2012 £
Cash at bank and in hand	4,134	(215)	-	3,919
Bank overdraft	(1,691,991)	(69,017)	-	(1,761,008)
	<u>(1,687,857)</u>	<u>(69,232)</u>	<u>-</u>	<u>(1,757,089)</u>
Debt				
Finance leases	(224,678)	82,703	(46,547)	(188,522)
Proceeds of factored debts	(41,263)	(25,251)	(159,268)	(225,782)
Debts falling due after more than one year	(159,268)	-	159,268	-
Loans and other debts due to members	-	1,823,072	(1,823,072)	-
	<u>(2,113,066)</u>	<u>1,811,292</u>	<u>(1,869,619)</u>	<u>(2,171,393)</u>
Net debt				

20 Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £68,713 (2011 - £73,333). At the year end a balance of £12,433 (2011 - £12,428) was outstanding.

21 Operating lease commitments

At 31 March 2012 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
Group and LLP	2012	2011	2012	2011
Expiry date	£	£	£	£
Within 1 year	-	-	1,272	-
Between 2 and 5 years	83,850	76,055	16,621	20,739
After more than 5 years	90,740	90,740	-	-

22 Related party transactions

During the year the LLP paid rent of £50,000 (2011 - £50,000) to a syndicate of partners' SIPPs. At 31 March 2012 a balance of £15,045 (2011 - £nil) was outstanding.

Dains LLP has relied upon the exemption given in Financial Reporting Standard Number 8 'Related Party Disclosures' not to disclose transactions between itself and its subsidiary undertakings.

23 Reconciliation of members' interests

Group	Members' capital (classified as a liability) £	Other reserves £	Total members' other interests £	Loans and debts due to members less any amounts due from members in debtors £	Total £
Members' interests balance at 1 April 2010	1,850,000	341,332	2,191,332	-	2,191,332
Profit for the year available for discretionary division among members	-	1,768,323	1,768,323	-	1,768,323
Members' interests after profit for the year	1,850,000	2,109,655	3,959,655	-	3,959,655
Allocated profit for year	-	(1,733,927)	(1,733,927)	1,733,927	-
Amounts withdrawn by members	-	-	-	(1,733,927)	(1,733,927)
Capital amounts introduced by members	150,000	-	150,000	-	150,000
Members' interests balance at 1 April 2011	2,000,000	375,728	2,375,728	-	2,375,728
Profit for the year available for discretionary division among members	-	2,025,098	2,025,098	-	2,025,098
Members' interests after profit for the year	2,000,000	2,400,826	4,400,826	-	4,400,826
Allocated profit for year	-	(1,823,072)	(1,823,072)	1,823,072	-
Amounts withdrawn by members	-	-	-	(1,823,072)	(1,823,072)
Capital amounts introduced by members	-	-	-	-	-
Members' interests at 31 March 2012	2,000,000	577,754	2,577,754	-	2,577,754

Dains LLP

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For the year ended 31 March 2012

23 Reconciliation of members' interests (continued)

LLP	Members' capital (classified as a liability) £	Other reserves £	Total members' other interests £	Loans and debts due to members less any amounts due from members in debtors £	Total £
Members' interests balance at 1 April 2010	1,850,000	423,652	2,273,652	-	2,273,652
Profit for the year available for discretionary division among members	-	1,736,540	1,736,540	-	1,736,540
Members' interests after profit for the year	1,850,000	2,160,192	4,010,192	-	4,010,192
Allocated profit for year	-	(1,733,927)	(1,733,927)	1,733,927	-
Amounts withdrawn by members	-	-	-	(1,733,927)	(1,733,927)
Capital amounts introduced by members	150,000	-	150,000	-	150,000
Members' interests balance at 1 April 2011	2,000,000	426,265	2,426,265	-	2,426,265
Profit for the year available for discretionary division among members	-	2,002,096	2,002,096	-	2,002,096
Members' interests after profit for the year	2,000,000	2,428,361	4,428,361	-	4,428,361
Allocated profit for year	-	(1,823,072)	(1,823,072)	1,823,072	-
Amounts withdrawn by members	-	-	-	(1,823,072)	(1,823,072)
Capital amounts introduced by members	-	-	-	-	-
Members' interest at 31 March 2012	2,000,000	605,289	2,605,289	-	2,605,289

24 Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Dains Financial Services Limited	England and Wales	100	Independent Financial Adviser