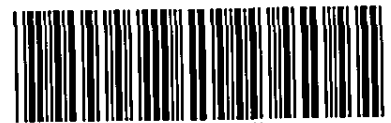


REGISTRARS COPY

**ALH GROUP LIMITED**  
**REPORT OF THE DIRECTOR AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2012**

Milne Craig  
Chartered accountants  
Registered auditor  
Abercorn House  
79 Renfrew Road  
Paisley  
Renfrewshire  
PA3 4DA

WEDNESDAY



SCT      \*S17KYONU\*      #508  
25/04/2012  
COMPANIES HOUSE

**ALH GROUP LIMITED**

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FOR THE YEAR ENDED 31 JANUARY 2012**

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**ALH GROUP LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 JANUARY 2012**

|                                      |                                                                                                                                       |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| <b>DIRECTOR:</b>                     | A M Hodge                                                                                                                             |
| <b>SECRETARY:</b>                    | J Hodge                                                                                                                               |
| <b>REGISTERED OFFICE:</b>            | 3 Brewster Place<br>Riverside Business Park<br>Irvine<br>KA11 5DD                                                                     |
| <b>REGISTERED NUMBER:</b>            | SC348513 (Scotland)                                                                                                                   |
| <b>SENIOR STATUTORY<br/>AUDITOR:</b> | Shona Malcolm                                                                                                                         |
| <b>AUDITORS:</b>                     | Milne Craig<br>Chartered accountants<br>Registered auditor<br>Abercorn House<br>79 Renfrew Road<br>Paisley<br>Renfrewshire<br>PA3 4DA |
| <b>BANKERS:</b>                      | Royal Bank of Scotland plc<br>35-37 Main Street<br>Largs<br>Ayrshire<br>KA30 8AF                                                      |

# **ALH GROUP LIMITED**

## **REPORT OF THE DIRECTOR FOR THE YEAR ENDED 31 JANUARY 2012**

The director presents his report with the financial statements of the company and the group for the year ended 31 January 2012.

### **PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of the sale of clothing and household items.

### **REVIEW OF BUSINESS**

The key financial highlights are as follows:

|                          | 2012    | 2011    |
|--------------------------|---------|---------|
|                          | £       | £       |
| Profit/(loss) before tax | 582,489 | 546,759 |

The net assets of the group amounted to £2,996,880 ( 2011 - £2,639,770) at 31 January 2012.

### **DIVIDENDS**

Monthly dividends of 50p per share were paid out during the year to 31st January 2011.

Dividends totalling £84,000 were paid out during the year.

### **FUTURE DEVELOPMENTS**

The directors aim to maintain the management policies adopted during the period to 31 January 2011 and consider the group is well placed to take advantage of opportunities which may arise in the current year.

### **DIRECTOR**

A M Hodge held office during the whole of the period from 1 February 2011 to the date of this report.

### **FINANCIAL INSTRUMENTS**

The group's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to finance the group's operations.

Trade debtors are managed in respect of credit and cashflow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

Competitive pressure has increased in the market place and the directors strive to ensure that margins and profitability remain consistent year on year.

In addition the directors seek to control overhead costs in order to maintain the profitability of the group.

### **ENVIRONMENT**

The group recognises the importance of its environmental responsibilities, and has policies in place to manage its impact on the environment.

## **ALH GROUP LIMITED**

### **REPORT OF THE DIRECTOR FOR THE YEAR ENDED 31 JANUARY 2012**

#### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

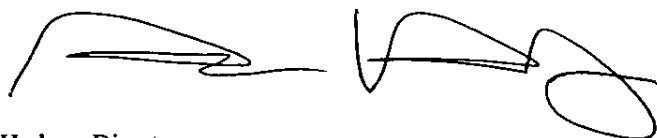
#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is 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 he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

#### **AUDITORS**

The auditors, Milne Craig, will be proposed for re-appointment at the forthcoming Annual General Meeting.

#### **ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to be 'A M Hodge', written over a horizontal line.

A M Hodge - Director

20 March 2012

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ALH GROUP LIMITED**

We have audited the financial statements of ALH Group Limited for the year ended 31 January 2012 on pages five to nineteen. 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 director and auditors**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

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

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Shona Malcolm (Senior Statutory Auditor)  
for and on behalf of Milne Craig  
Chartered accountants  
Registered auditor  
Abercorn House  
79 Renfrew Road  
Paisley  
Renfrewshire  
PA3 4DA

20 March 2012

**ALH GROUP LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 JANUARY 2012**

|                                                          | Notes | 2012<br>£ | 2011<br>£ |
|----------------------------------------------------------|-------|-----------|-----------|
| <b>TURNOVER</b>                                          |       | 6,264,482 | 4,937,157 |
| Cost of sales                                            |       | 3,815,293 | 3,003,383 |
| <b>GROSS PROFIT</b>                                      |       | 2,449,189 | 1,933,774 |
| Administrative expenses                                  |       | 1,843,751 | 1,405,513 |
|                                                          |       | 605,438   | 528,261   |
| Other operating income                                   |       | -         | 35,904    |
| <b>OPERATING PROFIT</b>                                  | 3     | 605,438   | 564,165   |
| Interest payable and similar charges                     | 4     | 22,949    | 17,406    |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | 582,489   | 546,759   |
| Tax on profit on ordinary activities                     | 5     | 141,379   | 145,623   |
| <b>PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>       |       | 441,110   | 401,136   |

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

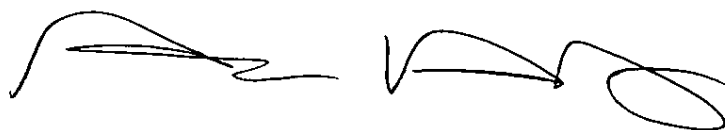
The group has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

**ALH GROUP LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**31 JANUARY 2012**

|                                              | Notes | 2012<br>£               | 2011<br>£               |
|----------------------------------------------|-------|-------------------------|-------------------------|
| <b>FIXED ASSETS</b>                          |       |                         |                         |
| Tangible assets                              | 8     | 1,993,687               | 2,017,606               |
| Investments                                  | 9     | 25,000                  | 25,000                  |
|                                              |       | <u>2,018,687</u>        | <u>2,042,606</u>        |
| <b>CURRENT ASSETS</b>                        |       |                         |                         |
| Stocks                                       | 10    | 2,023,671               | 1,794,457               |
| Debtors                                      | 11    | 99,017                  | 178,065                 |
| Cash in hand                                 |       | 4,600                   | 4,600                   |
|                                              |       | <u>2,127,288</u>        | <u>1,977,122</u>        |
| <b>CREDITORS</b>                             |       |                         |                         |
| Amounts falling due within one year          | 12    | 1,111,844               | 1,337,370               |
| <b>NET CURRENT ASSETS</b>                    |       | <u>1,015,444</u>        | <u>639,752</u>          |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>3,034,131</u>        | <u>2,682,358</u>        |
| <b>PROVISIONS FOR LIABILITIES</b>            | 16    | 37,251                  | 42,588                  |
| <b>NET ASSETS</b>                            |       | <u><u>2,996,880</u></u> | <u><u>2,639,770</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                         |                         |
| Called up share capital                      | 17    | 14,000                  | 14,000                  |
| Share premium                                | 18    | 781,004                 | 781,004                 |
| Profit and loss account                      |       | 2,201,876               | 1,844,766               |
| <b>SHAREHOLDERS' FUNDS</b>                   | 22    | <u><u>2,996,880</u></u> | <u><u>2,639,770</u></u> |

The financial statements were approved by the director on 20 March 2012 and were signed by:

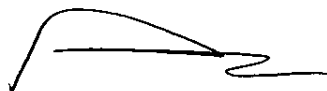
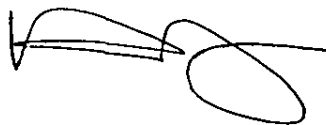


A M Hodge - Director

**ALH GROUP LIMITED**  
**COMPANY BALANCE SHEET**  
**31 JANUARY 2012**

|                                              | Notes | 2012<br>£        | 2011<br>£        |
|----------------------------------------------|-------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |
| Tangible assets                              | 8     | -                | -                |
| Investments                                  | 9     | 25,003           | 25,003           |
|                                              |       | <u>25,003</u>    | <u>25,003</u>    |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |
| Debtors                                      | 11    | 1,526,763        | 1,141,297        |
| Cash at bank                                 |       | 885              | 361,351          |
|                                              |       | <u>1,527,648</u> | <u>1,502,648</u> |
| <b>CREDITORS</b>                             |       |                  |                  |
| Amounts falling due within one year          | 12    | 462,058          | 437,058          |
|                                              |       | <u>462,058</u>   | <u>437,058</u>   |
| <b>NET CURRENT ASSETS</b>                    |       | <u>1,065,590</u> | <u>1,065,590</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>1,090,593</u> | <u>1,090,593</u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |
| Called up share capital                      | 17    | 14,000           | 14,000           |
| Share premium                                | 18    | 781,004          | 781,004          |
| Profit and loss account                      |       | 295,589          | 295,589          |
|                                              |       | <u>1,090,593</u> | <u>1,090,593</u> |
| <b>SHAREHOLDERS' FUNDS</b>                   | 22    | <u>1,090,593</u> | <u>1,090,593</u> |

The financial statements were approved by the director on 20 March 2012 and were signed by:

A M Hodge - Director

**ALH GROUP LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JANUARY 2012**

|                                                                    | Notes    | 2012<br>£        | 2011<br>£        |
|--------------------------------------------------------------------|----------|------------------|------------------|
| <b>Net cash inflow/(outflow)<br/>from operating activities</b>     | <b>1</b> | 546,099          | (188,590)        |
| <b>Returns on investments and<br/>servicing of finance</b>         | <b>2</b> | (22,949)         | (17,406)         |
| <b>Taxation</b>                                                    |          | (120,349)        | (94,080)         |
| <b>Capital expenditure</b>                                         | <b>2</b> | (30,631)         | (139,511)        |
| <b>Equity dividends paid</b>                                       |          | (84,000)         | (84,000)         |
|                                                                    |          | <u>288,170</u>   | <u>(523,587)</u> |
| <b>Financing</b>                                                   | <b>2</b> | 69,920           | (13,390)         |
| <b>Increase/(Decrease) in cash in the period</b>                   |          | <u>358,090</u>   | <u>(536,977)</u> |
| <hr/>                                                              |          |                  |                  |
| <b>Reconciliation of net cash flow<br/>to movement in net debt</b> | <b>3</b> |                  |                  |
| Increase/(Decrease)<br>in cash in the period                       |          | 358,090          | (536,977)        |
| Cash inflow<br>from increase in debt                               |          | <u>(85,000)</u>  | <u>-</u>         |
| Change in net debt resulting<br>from cash flows                    |          | <u>273,090</u>   | <u>(536,977)</u> |
| <b>Movement in net debt in the period</b>                          |          | 273,090          | (536,977)        |
| <b>Net (debt)/funds at 1 February</b>                              |          | <u>(405,180)</u> | <u>131,797</u>   |
| <b>Net debt at 31 January</b>                                      |          | <u>(132,090)</u> | <u>(405,180)</u> |

The notes form part of these financial statements

**ALH GROUP LIMITED**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JANUARY 2012**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

|                                                            | 2012                  | 2011                    |
|------------------------------------------------------------|-----------------------|-------------------------|
|                                                            | £                     | £                       |
| Operating profit                                           | 605,438               | 564,165                 |
| Depreciation charges                                       | 54,550                | 41,734                  |
| Profit on disposal of fixed assets                         | -                     | (241)                   |
| Increase in stocks                                         | (229,214)             | (763,838)               |
| Decrease/(Increase) in debtors                             | 79,048                | (81,646)                |
| Increase in creditors                                      | 36,277                | 51,236                  |
| <b>Net cash inflow/(outflow) from operating activities</b> | <u><u>546,099</u></u> | <u><u>(188,590)</u></u> |

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

|                                                                             | 2012                   | 2011                    |
|-----------------------------------------------------------------------------|------------------------|-------------------------|
|                                                                             | £                      | £                       |
| <b>Returns on investments and servicing of finance</b>                      |                        |                         |
| Interest paid                                                               | (22,949)               | (17,406)                |
| <b>Net cash outflow for returns on investments and servicing of finance</b> | <u><u>(22,949)</u></u> | <u><u>(17,406)</u></u>  |
| <b>Capital expenditure</b>                                                  |                        |                         |
| Purchase of tangible fixed assets                                           | (30,631)               | (139,806)               |
| Sale of tangible fixed assets                                               | -                      | 295                     |
| <b>Net cash outflow for capital expenditure</b>                             | <u><u>(30,631)</u></u> | <u><u>(139,511)</u></u> |
| <b>Financing</b>                                                            |                        |                         |
| New loans in year                                                           | 85,000                 | -                       |
| Loan repayments in year                                                     | -                      | 51,664                  |
| Amount withdrawn by directors                                               | (15,080)               | (65,054)                |
| <b>Net cash inflow/(outflow) from financing</b>                             | <u><u>69,920</u></u>   | <u><u>(13,390)</u></u>  |

# ALH GROUP LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2012

### 3. ANALYSIS OF CHANGES IN NET DEBT

|                                      | At 1.2.11<br>£   | Cash flow<br>£  | At<br>31.1.12<br>£ |
|--------------------------------------|------------------|-----------------|--------------------|
| Net cash:                            |                  |                 |                    |
| Cash at bank and in hand             | 4,600            | -               | 4,600              |
| Bank overdraft                       | <u>(409,780)</u> | <u>358,090</u>  | <u>(51,690)</u>    |
|                                      | <u>(405,180)</u> | <u>358,090</u>  | <u>(47,090)</u>    |
| Debt:                                |                  |                 |                    |
| Debts falling due<br>within one year | -                | <u>(85,000)</u> | <u>(85,000)</u>    |
|                                      | -                | <u>(85,000)</u> | <u>(85,000)</u>    |
| Total                                | <u>(405,180)</u> | <u>273,090</u>  | <u>(132,090)</u>   |

The notes form part of these financial statements

# ALH GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2012

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

#### Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax. Consideration is given to the point at which the company is entitled to receive the income.

#### Tangible fixed assets

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

|                          |               |
|--------------------------|---------------|
| Improvements to property | - 10% on cost |
| Plant and machinery      | - 15% on cost |
| Fixtures and fittings    | - 15% on cost |
| Motor vehicles           | - 25% on cost |

Investment properties are recorded at cost. Any revaluation gains or losses are reflected through the investment revaluation reserve. No depreciation is provided on investment properties as these properties are held for investment and not consumption and as such the directors consider that annual depreciation would be inappropriate. The accounting policy is therefore necessary for the accounts to show a true and fair view.

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

#### Rental income

Rental income is included in the profit and loss account in the period in which it is receivable.

#### Investments

Investments held as fixed assets are stated at cost less provision for any impairment assessed by the director.

#### Dividend income

Dividend income is recognised in the period when received.

### 2. STAFF COSTS

|                       | 2012           | 2011           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 685,887        | 531,988        |
| Social security costs | 44,508         | 29,523         |
| Other pension costs   | 2,897          | 3,312          |
|                       | <u>733,292</u> | <u>564,823</u> |

# ALH GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2012

### 2. STAFF COSTS - continued

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

|                 | 2012      | 2011      |
|-----------------|-----------|-----------|
| Retail staff    | 42        | 38        |
| Warehouse staff | 10        | 7         |
| Office staff    | 14        | 9         |
|                 | <u>66</u> | <u>54</u> |

### 3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

|                                    | 2012<br>£     | 2011<br>£     |
|------------------------------------|---------------|---------------|
| Other operating leases             | 2,480         | 2,625         |
| Depreciation - owned assets        | 54,550        | 41,734        |
| Profit on disposal of fixed assets | -             | (241)         |
|                                    | <u>12,000</u> | <u>12,000</u> |

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

|                           | 2012<br>£     | 2011<br>£     |
|---------------------------|---------------|---------------|
| Bank interest             | 20,342        | 17,406        |
| Interest on late paid tax | 482           | -             |
| Loan interest             | 2,125         | -             |
|                           | <u>22,949</u> | <u>17,406</u> |

### 5. TAXATION

#### Analysis of the tax charge

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

|                                      | 2012<br>£      | 2011<br>£      |
|--------------------------------------|----------------|----------------|
| Current tax:                         |                |                |
| UK corporation tax                   | 146,904        | 120,537        |
| Over provision from prior year       | (188)          | (155)          |
| Total current tax                    | <u>146,716</u> | <u>120,382</u> |
| Deferred tax                         | (5,337)        | 25,241         |
| Tax on profit on ordinary activities | <u>141,379</u> | <u>145,623</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 £84,000 (2011 - £84,000).

**ALH GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2012**

**7. DIVIDENDS**

|                        | <b>2012</b>   | <b>2011</b>   |
|------------------------|---------------|---------------|
|                        | <b>£</b>      | <b>£</b>      |
| Equity shares:         |               |               |
| 'A' Ordinary £1 shares | 33,000        | 33,000        |
| 'B' Ordinary £1 shares | 18,000        | 18,000        |
| 'C' Ordinary £1 shares | 33,000        | 33,000        |
|                        | <u>84,000</u> | <u>84,000</u> |

**8. TANGIBLE FIXED ASSETS**

**Group**

|                       | Freehold<br>property<br>£ | Improvements<br>to<br>property<br>£ | Plant and<br>machinery<br>£ |
|-----------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>COST</b>           |                           |                                     |                             |
| At 1 February 2011    | 1,740,426                 | 18,393                              | 136,340                     |
| Additions             | -                         | -                                   | 4,236                       |
| At 31 January 2012    | <u>1,740,426</u>          | <u>18,393</u>                       | <u>140,576</u>              |
| <b>DEPRECIATION</b>   |                           |                                     |                             |
| At 1 February 2011    | -                         | 4,138                               | 27,269                      |
| Charge for year       | -                         | 1,839                               | 20,575                      |
| At 31 January 2012    | <u>-</u>                  | <u>5,977</u>                        | <u>47,844</u>               |
| <b>NET BOOK VALUE</b> |                           |                                     |                             |
| At 31 January 2012    | <u>1,740,426</u>          | <u>12,416</u>                       | <u>92,732</u>               |
| At 31 January 2011    | <u>1,740,426</u>          | <u>14,255</u>                       | <u>109,071</u>              |

**ALH GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2012**

**8. TANGIBLE FIXED ASSETS - continued**

**Group**

|                       | Fixtures<br>and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Totals<br>£ |
|-----------------------|----------------------------------|------------------------|-------------|
| <b>COST</b>           |                                  |                        |             |
| At 1 February 2011    | 166,861                          | 26,153                 | 2,088,173   |
| Additions             | 26,395                           | -                      | 30,631      |
| At 31 January 2012    | 193,256                          | 26,153                 | 2,118,804   |
| <b>DEPRECIATION</b>   |                                  |                        |             |
| At 1 February 2011    | 36,160                           | 3,000                  | 70,567      |
| Charge for year       | 26,141                           | 5,995                  | 54,550      |
| At 31 January 2012    | 62,301                           | 8,995                  | 125,117     |
| <b>NET BOOK VALUE</b> |                                  |                        |             |
| At 31 January 2012    | 130,955                          | 17,158                 | 1,993,687   |
| At 31 January 2011    | 130,701                          | 23,153                 | 2,017,606   |

**9. FIXED ASSET INVESTMENTS**

**Group**

|                                           | Interest<br>in joint<br>venture<br>£ |
|-------------------------------------------|--------------------------------------|
| <b>COST</b>                               |                                      |
| At 1 February 2011<br>and 31 January 2012 | 25,000                               |
| <b>NET BOOK VALUE</b>                     |                                      |
| At 31 January 2012                        | 25,000                               |
| At 31 January 2011                        | 25,000                               |

**Company**

|                                           | Shares in<br>group<br>undertakings<br>£ | Interest<br>in joint<br>venture<br>£ | Totals<br>£ |
|-------------------------------------------|-----------------------------------------|--------------------------------------|-------------|
| <b>COST</b>                               |                                         |                                      |             |
| At 1 February 2011<br>and 31 January 2012 | 3                                       | 25,000                               | 25,003      |
| <b>NET BOOK VALUE</b>                     |                                         |                                      |             |
| At 31 January 2012                        | 3                                       | 25,000                               | 25,003      |
| At 31 January 2011                        | 3                                       | 25,000                               | 25,003      |

# ALH GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2012

### 9. FIXED ASSET INVESTMENTS - continued

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

#### Subsidiaries

##### XS Stock.com Limited

Nature of business: Sale of household goods

|                                | %<br>holding | 2012<br>£ | 2011<br>£ |
|--------------------------------|--------------|-----------|-----------|
| Class of shares:               |              |           |           |
| Ordinary                       | 100.00       |           |           |
| Aggregate capital and reserves |              | 778,333   | 636,699   |
| Profit for the year            |              | 141,634   | 195,556   |

##### XS Irvine Limited

Nature of business: Sale of household goods and clothing

|                                | %<br>holding | 2012<br>£ | 2011<br>£ |
|--------------------------------|--------------|-----------|-----------|
| Class of shares:               |              |           |           |
| Ordinary                       | 100.00       |           |           |
| Aggregate capital and reserves |              | 906,335   | 719,236   |
| Profit for the year            |              | 217,099   | 115,860   |

##### XS Property Limited

Nature of business: Property letting

|                                | %<br>holding | 2012<br>£ | 2011<br>£ |
|--------------------------------|--------------|-----------|-----------|
| Class of shares:               |              |           |           |
| Ordinary                       | 100.00       |           |           |
| Aggregate capital and reserves |              | 221,622   | 193,245   |
| Profit for the year            |              | 82,377    | 89,720    |

#### Joint Venture

##### Wicked Costumes Limited

Nature of business: Sale of fancy dress costumes

|                                | %<br>holding | 31/12/11<br>£ | 31/12/10<br>£ |
|--------------------------------|--------------|---------------|---------------|
| Class of shares:               |              |               |               |
| Ordinary                       | 50.00        |               |               |
| Aggregate capital and reserves |              | 1,005,410     | 523,967       |
| Profit for the year/period     |              | 481,443       | 358,216       |

**ALH GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2012**

**10. STOCKS**

|        | <b>Group</b>     |                  |
|--------|------------------|------------------|
|        | 2012             | 2011             |
|        | £                | £                |
| Stocks | <u>2,023,671</u> | <u>1,794,457</u> |

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                         | <b>Group</b>  | <b>Company</b> |                  |
|-----------------------------------------|---------------|----------------|------------------|
|                                         | 2012          | 2011           | 2012             |
|                                         | £             | £              | £                |
| Trade debtors                           | 24,558        | 108,789        | -                |
| Amounts owed by group undertakings      | -             | -              | 1,476,763        |
| Amounts owed by participating interests | 50,000        | 50,000         | 50,000           |
| Other debtors                           | -             | 2              | -                |
| Prepayments                             | 24,459        | 19,274         | -                |
|                                         | <u>99,017</u> | <u>178,065</u> | <u>1,526,763</u> |
|                                         |               |                | <u>1,141,297</u> |

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                         | <b>Group</b>     | <b>Company</b>   |                |
|-----------------------------------------|------------------|------------------|----------------|
|                                         | 2012             | 2011             | 2012           |
|                                         | £                | £                | £              |
| Bank loans and overdrafts (see note 13) | 51,690           | 409,780          | -              |
| Other loans (see note 13)               | 85,000           | -                | -              |
| Trade creditors                         | 67,995           | 132,427          | -              |
| Amounts owed to group undertakings      | -                | -                | 67,058         |
| Corporation tax                         | 146,904          | 120,537          | -              |
| Social security and other taxes         | 261,232          | 161,576          | -              |
| Directors' current accounts             | 425,168          | 440,248          | 395,000        |
| Accrued expenses                        | 73,855           | 72,802           | -              |
|                                         | <u>1,111,844</u> | <u>1,337,370</u> | <u>462,058</u> |
|                                         |                  |                  | <u>437,058</u> |

**13. LOANS**

An analysis of the maturity of loans is given below:

|                                                   | <b>Group</b>   |                |
|---------------------------------------------------|----------------|----------------|
|                                                   | 2012           | 2011           |
|                                                   | £              | £              |
| Amounts falling due within one year or on demand: |                |                |
| Bank overdrafts                                   | 51,690         | 409,780        |
| Other loans                                       | 85,000         | -              |
|                                                   | <u>136,690</u> | <u>409,780</u> |

**ALH GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2012**

**14. OPERATING LEASE COMMITMENTS**

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

| <b>Group</b>                         | <b>Land and buildings</b> |                |
|--------------------------------------|---------------------------|----------------|
|                                      | <b>2012</b>               | <b>2011</b>    |
|                                      | <b>£</b>                  | <b>£</b>       |
| Expiring:<br>In more than five years | <u>220,000</u>            | <u>220,000</u> |

**15. SECURED DEBTS**

The following secured debts are included within creditors:

|                 | <b>Group</b>  |                |
|-----------------|---------------|----------------|
|                 | <b>2012</b>   | <b>2011</b>    |
|                 | <b>£</b>      | <b>£</b>       |
| Bank overdrafts | <u>51,690</u> | <u>409,780</u> |

The group bank borrowings are secured by a bond and floating charge over the assets of the group.

**16. PROVISIONS FOR LIABILITIES**

|                                              | <b>Group</b>  |                     |
|----------------------------------------------|---------------|---------------------|
|                                              | <b>2012</b>   | <b>2011</b>         |
|                                              | <b>£</b>      | <b>£</b>            |
| Deferred tax                                 | <u>37,251</u> | <u>42,588</u>       |
| <b>Group</b>                                 |               |                     |
|                                              |               | <b>Deferred tax</b> |
|                                              |               | <b>£</b>            |
| Balance at 1 February 2011                   |               | 42,588              |
| Capital allowances in excess of depreciation |               | (5,337)             |
| Balance at 31 January 2012                   |               | <u>37,251</u>       |

# ALH GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2012

### 17. CALLED UP SHARE CAPITAL

Allotted, issued and  
fully paid :

| Number | Class        | Nominal<br>value | 2012<br>£     | 2011<br>£     |
|--------|--------------|------------------|---------------|---------------|
| 5,000  | 'A' Ordinary | £1               | 5,000         | 5,000         |
| 4,800  | 'B' Ordinary | £1               | 4,800         | 4,800         |
| 100    | 'C' Ordinary | £1               | 100           | 100           |
| 4,100  | 'D' Ordinary | £1               | 4,100         | 4,100         |
|        |              |                  | <u>14,000</u> | <u>14,000</u> |

### 18. RESERVES

#### Group

|                     | Profit<br>and loss<br>account<br>£ | Share<br>premium<br>£ | Totals<br>£      |
|---------------------|------------------------------------|-----------------------|------------------|
| At 1 February 2011  | 1,844,766                          | 781,004               | 2,625,770        |
| Profit for the year | 441,110                            |                       | 441,110          |
| Dividends           | (84,000)                           |                       | (84,000)         |
| At 31 January 2012  | <u>2,201,876</u>                   | <u>781,004</u>        | <u>2,982,880</u> |

#### Company

|                     | Profit<br>and loss<br>account<br>£ | Share<br>premium<br>£ | Totals<br>£      |
|---------------------|------------------------------------|-----------------------|------------------|
| At 1 February 2011  | 295,589                            | 781,004               | 1,076,593        |
| Profit for the year | 84,000                             |                       | 84,000           |
| Dividends           | (84,000)                           |                       | (84,000)         |
| At 31 January 2012  | <u>295,589</u>                     | <u>781,004</u>        | <u>1,076,593</u> |

### 19. ULTIMATE PARENT COMPANY

The ultimate parent company is ALH Group Limited, a company registered in Scotland.

# ALH GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2012

### 20. RELATED PARTY DISCLOSURES

At 31st January 2012 the director was owed £425,168 ( 2011 - £440,248).

Dividends amounting to £84,000 were paid to the director and shareholders during the period.

At 31st January 2012 the group was owed £50,000 ( 2011 - £50,000) by Wicked Costumes Limited, a company involved in a joint venture with ALH Group Limited.

### 21. ULTIMATE CONTROLLING PARTY

By virtue of his interests in the share capital of ALH Group Limited, the parent company, Mr A Hodge, a director, controls the majority of the voting rights and thus has ultimate control of the group.

### 22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

#### Group

|                                            | 2012             | 2011             |
|--------------------------------------------|------------------|------------------|
|                                            | £                | £                |
| Profit for the financial year              | 441,110          | 401,136          |
| Dividends                                  | (84,000)         | (84,000)         |
| <b>Net addition to shareholders' funds</b> | <b>357,110</b>   | <b>317,136</b>   |
| Opening shareholders' funds                | 2,639,770        | 2,322,634        |
| <b>Closing shareholders' funds</b>         | <b>2,996,880</b> | <b>2,639,770</b> |

#### Company

|                                    | 2012             | 2011             |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Profit for the financial year      | 84,000           | 84,000           |
| Dividends                          | (84,000)         | (84,000)         |
| <b>Opening shareholders' funds</b> | <b>1,090,593</b> | <b>1,090,593</b> |
| <b>Closing shareholders' funds</b> | <b>1,090,593</b> | <b>1,090,593</b> |