

COMPANY REGISTRATION No 784842

AFM HOLDINGS LIMITED
AND SUBSIDIARY COMPANIES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2009

WARD WILLIAMS
REGISTERED AUDITOR
PARK HOUSE, 25 - 27 MONUMENT HILL
WEYBRIDGE, SURREY KT13 8RT

WEDNESDAY



L14 **"LM18XLAB"** **30/06/2010** **205**
COMPANIES HOUSE

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2009

Page No

1	Company Information
2-3	Directors' Report
4	Independent Auditors' Report to the Members
5	Consolidated Profit and Loss Account
6	Consolidated Balance Sheet
7	Company Balance Sheet
8-10	Cashflow Statement
11 - 19	Notes to the Financial Statements

AFM HOLDINGS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30th SEPTEMBER 2009**

COMPANY NUMBER	784842
DIRECTORS	P Merritt Esq
COMPANY SECRETARY	Mrs D E Merritt
REGISTERED OFFICE	38 Weyside Road Guildford Surrey
BANKERS	HSBC Bank PLC 168 High Street Guildford Surrey
AUDITORS	Ward Williams Registered Auditors Park House 25 27 Monument Hill Weybridge Surrey KT13 8RT

AFM HOLDINGS LIMITED

The director presents herewith his annual report together with the audited financial statements of the group for the year ended 30th September 2009

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The group's principal activities during the year have continued to be the installation and maintenance of central heating systems and the maintenance of swimming pools. There have not been any significant changes in the group's principal activities in the year under review. The director is not aware at the date of this report of any major changes in the group's principal activities in the next year.

As shown in the group's profit and loss account, the group's sales have decreased by 15.05% over the prior year with profit after tax increasing by 33.71%.

The balance sheet of the financial statements shows that the group's financial position at the year end is, in both net assets and cash terms, broadly consistent with the prior year, with net current assets and shareholders' funds remaining constant.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

The group recognises its environmental and social responsibilities and understands the importance of the contribution that the group can make.

EMPLOYEES

The group aims to ensure that its workforce are safe, healthy and fulfilled. To such end, the group has in place a comprehensive health and safety and training policy and a policy of regular employee appraisal and consultation.

Details of the number of employees and related costs can be found in note 4 to the financial statements.

FUTURE DEVELOPMENTS

The directors consider that 2010 will be a challenging trading year and anticipate trading results slightly below the year under review with turnover and profitability falling marginally.

FINANCIAL INSTRUMENTS

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

Due to the nature of the financial instruments used by the group, there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances, the liquidity risk is managed centrally to maximise interest income whilst ensuring that the group has sufficient liquid resources to meet the operating needs of its businesses. The group is exposed to fair value interest rate risk on its deposits and loans.

Investment of cash surpluses are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers wishing to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

RESULTS OF THE OPERATIONS AND DIVIDENDS

The results of the operations are set out in the profit and loss account on page 5. The director recommends the payment of a dividend of £10 per share.

It is proposed that the Group retained profit of £360,511 is transferred to reserves.

FIXED ASSETS

Details of changes in fixed assets are given in notes 10 and 11 to the accounts.

Charitable Donations

	<u>2009</u>	<u>2008</u>
	£	£
During the year the group made the following payments:		
Charitable Donations	3,676	6,690

£3,676 was given during the year in donations ranging from £60 to £1,900 in support of either local charities or fundraising activities by employees covering a range of charitable purposes such as Cancer Research to Worshipful Company of Pavors.

AFM HOLDINGS LIMITED

**DIRECTOR'S REPORT (Continued)
FOR THE YEAR ENDED 30th SEPTEMBER 2009**

AUDITORS

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

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report 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 of 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 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company'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 OF DISCLOSURE TO AUDITOR

So far as the director is aware there is no relevant audit information of which the group's auditors are unaware Additionally the director has taken all the necessary steps that he ought to have taken as a director in order to make himself aware of all relevant audit information and to establish that the group's auditors are aware of that information

On behalf of the board



P. Merritt Esq
Director

Date:

29.6.10

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
AFM HOLDINGS LIMITED
FOR THE YEAR ENDED 30th SEPTEMBER 2009

We have audited the group and parent company financial statements of AFM Holdings Limited for the year ended 30 September 2009 set out on pages 5 to 19. 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 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 Directors' Responsibilities Statement set out on pages 2-3, 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 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 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 September 2009 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 Director's Report 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Richard Hayward (Senior Statutory Auditor)
for and on behalf of Ward Williams
Chartered Accountants
Statutory Auditor

Date

30 June 2010

Park House
25 - 27 Monument Hill
Weybridge
Surrey
KT13 8RT

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30th SEPTEMBER 2009

		<u>2009</u>	<u>2008</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>
TURNOVER	1	13,227,428	15,571,655
COST OF SALES		(8,978,233)	(11,425,107)
GROSS PROFIT		<u>4,249,195</u>	<u>4,146,548</u>
Distribution and Administration Costs	2	(3,565,011)	(3,654,718)
OPERATING PROFIT		<u>684,184</u>	<u>491,830</u>
Other Interest Receivable and similar income	5	14,341	21,399
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>698,525</u>	<u>513,229</u>
Taxation on profit on ordinary activities	6	(216,739)	(152,918)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u><u>481,786</u></u>	<u><u>360,311</u></u>

The Profit and Loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains or losses for the year other than those passing through the profit and loss account

The annexed notes form part of these financial statements

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 30th SEPTEMBER 2009

	<u>Notes</u>	<u>2009</u>	<u>2008</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Intangible assets	8	4,848	4,848
Tangible assets	10	242,673	330,156
		<u>247,521</u>	<u>335,004</u>
CURRENT ASSETS			
Stocks	12	275,968	288,107
Debtors	13	3,023,737	4,477,866
Cash at bank and in hand		2,568,786	1,545,214
		<u>5,868,491</u>	<u>6,311,187</u>
CURRENT LIABILITIES - amounts falling due within one year	14	(3,632,582)	(4,523,272)
NET CURRENT ASSETS		<u>2,235,909</u>	<u>1,787,915</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,483,430	2,122,919
Provision for Liabilities and Charges	15	(43,926)	(43,926)
NET ASSETS		<u>2,439,504</u>	<u>2,078,993</u>
CAPITAL AND RESERVES			
Called up share capital	16	75,000	75,000
Share premium account		993	993
Capital reserve - arising on consolidation		14,242	14,242
Profit and Loss Account	17	2,349,269	1,988,758
Shareholders funds - Equity interest		<u>2,439,504</u>	<u>2,078,993</u>

APPROVED AND SIGNED BY THE DIRECTOR



P Merritt Esq
Director

Date 29.6.10

Company Registration No 784842

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

**COMPANY BALANCE SHEET
FOR THE YEAR ENDED 30th SEPTEMBER 2009**

		<u>2009</u>		<u>2008</u>	
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
FIXED ASSETS					
Investments	9		290,310		290,310
Tangible assets	11		<u>223,225</u>		<u>308,280</u>
			513,535		598,590
CURRENT ASSETS					
Debtors	13	1,149,633		1,375,321	
Cash at bank and in hand		<u>1,795,775</u>		<u>1,148,098</u>	
		2,945,408		2,523,419	
CURRENT LIABILITIES- amounts falling due within one year					
	14	<u>(2,847,726)</u>		<u>(2,415,665)</u>	
NET CURRENT ASSETS					
			97,682		107,754
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>611,217</u>		<u>706,344</u>
Provision for Liabilities and charges	15		(43,926)		(43,926)
NET ASSETS					
			<u>567,291</u>		<u>662,418</u>
Financed by					
CAPITAL AND RESERVES					
Called up share capital	16		75,000		75,000
Share premium			993		993
Profit and loss account	17		<u>491,298</u>		<u>586,425</u>
Shareholders funds - Equity interest			<u>567,291</u>		<u>662,418</u>

APPROVED AND SIGNED BY THE DIRECTOR


P Merritt Esq
Director

Date 29.6.10

Company Registration No 784842

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2009**

	<u>Notes</u>	<u>£</u>	<u>2009</u> <u>£</u>	<u>£</u>	<u>2008</u> <u>£</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES	A		1,466,748		433,981
RETURNS ON INVESTMENT AND SERVICING OF FINANCE					
Interest Received		<u>14,341</u>		<u>21,399</u>	
Net Cash inflow from returns on investment and servicing of finance			14,341		21,399
Dividends					
Dividend paid			(121,275)		(190,510)
Taxation					
Corporation tax			(156,548)		(189,738)
Capital Expenditure and Investment					
Purchase of fixed assets		(36,250)		(123,133)	
Sale of fixed assets		30,200		33,775	
Sale of Investments		<u>0</u>		<u>13,300</u>	
Net cash (outflow) for Capital expenditure			(6,050)		(76,058)
Financing					
Loan Increase		0		96,000	
Repayments of loan		<u>(173,644)</u>		<u>(141,633)</u>	
			(173,644)		(45,633)
(DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	C		<u>1,023,572</u>		<u>(46,559)</u>

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2009

NOTES TO THE CASHFLOW STATEMENT

**A RECONCILIATION OF OPERATING PROFIT
TO NET CASH INFLOW
FROM OPERATING OPERATIONS**

	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Net cash inflow from operations		
Operating profit	684,184	491,830
Adjustment for non cash items		
Depreciation charges	81,618	76,584
(Profit)/ Loss on disposal of fixed assets	11,914	3,220
(Profit)/ Loss on disposal of investments	0	(3,700)
Changes in working capital		
(Increase)/ Decrease in stocks	12,139	49,384
Decrease/ (Increase) in debtors	1,454,129	(1,190,222)
(Decrease)/ Increase in creditors	(777,236)	1,006,885
Net cash inflow from continuing operating activities	<u>1,466,748</u>	<u>433,981</u>

**B ANALYSIS OF CHANGES IN CASH AND CASH
EQUIVALENTS DURING THE YEAR**

Balance at 1 10 08	1,545,214	1,591,773
Net cash (outflow)/ inflow	1,023,572	(46,559)
Balance at 30 9 09	<u>2,568,786</u>	<u>1,545,214</u>
Represented by		
Cash at bank and in hand	<u>2,568,786</u>	<u>1,545,214</u>

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2009

NOTES TO THE CASHFLOW STATEMENT CONTD

C	ANALYSIS OF NET DEBT	At 1st Oct	Cash flows	At 30th Sept
		2008		2009
		£	£	£
	Net Cash -			
	Cash at bank and in hand	1,545,214	1,023,572	2,568,786
	Debt -			
	Debts falling due within one year	(264,934)	173,644	(91,290)
	Net Fund	<u>1,280,280</u>	<u>1,197,216</u>	<u>2,477,496</u>

**D RECONCILIATION OF NET CASH FLOW TO
MOVEMENT IN NET FUNDS**

	2009	2008
	£	£
Increase/(Decrease) in Cash in the year	1,023,572	(46,559)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	<u>173,644</u>	<u>45,633</u>
	<u>1,197,216</u>	<u>(926)</u>
Movement in net funds in year	1,197,216	(926)
Opening net funds	1,280,280	1,281,206
Closing net funds	<u>2,477,496</u>	<u>1,280,280</u>

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2009

1 ACCOUNTING POLICIES

1.1 Accounting conventions

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

1.2 Compliance with Accounting Standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) which have been applied consistently (except as otherwise stated)

1.3 Basis of Consolidation

The consolidated financial statements include the results of the parent company and its subsidiary undertakings made up to the end of the financial year. Inter-group transactions are excluded on consolidation and sales and profit figures relate to external transactions only. As permitted by section 408 of the Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements

1.4 Turnover

Turnover represents amounts receivable from ordinary activities stated net of VAT, trade discounts and other sales taxes. Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit & loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract

1.5 Tangible assets and depreciation

Tangible assets are stated at cost less depreciation. Depreciation is provided using the reducing balance method (except where otherwise indicated) at the following rates

Motor Vehicles	25%
Fixtures, Fittings and Office Equipment	15%
Leasehold Property Improvements - (Straight Line Method)	10%
Computer Equipment (Straight Line Method)	25%

The carrying value of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying values may not be recoverable

1.6 Goodwill

Goodwill represents the excess of cost at acquisition over the fair value of the separable assets of Heatservice (Maintenance) Ltd, a 100% subsidiary which was acquired on 1st October 1984. The directors believe that the valuation of goodwill is still valid because it has since been transferred to BTU (Maintenance) Ltd, which continues to trade profitably. It is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable

1.7 Leased Assets

Operating lease rentals are charged to the profit and loss account as incurred

1.8 Stocks

Stock is valued at the lower of cost and net realisable value

Amounts recoverable on long-term contracts which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contract less amounts received as progress payments on account

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2009

1 8 Pensions

The group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in an independently administered fund. The pension charge contributions payable by the group to the funds amounted to £32,768 (2008 - £1,853). All contributions due in the year were paid and charged to the profit and loss account as incurred.

1 9 Deferred Taxation

The accounting policy in respect of deferred tax is to reflect the requirements of FRS19. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accountancy purposes.

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30th SEPTEMBER 2009

2	DISTRIBUTION AND ADMINISTRATIVE COSTS	<u>2009</u>	<u>2008</u>
		£	£
	Distribution Costs	601,422	647,186
	Administrative Costs	2 963 589	3 007 532
		<u>3,565 011</u>	<u>3,654,718</u>
3	TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>2009</u>	<u>2008</u>
		£	£
	Profit on ordinary activities before taxation is stated after charging		
	(Profit)/ Loss on Disposal of Fixed Assets	11,914	3,220
	Depreciation	81,618	76,584
	Auditor's Remuneration (Company 2009 £2,200 , 2008 £2,990)	40 000	36 500
		<u>40 000</u>	<u>36 500</u>
4	STAFF COSTS	<u>2009</u>	<u>2008</u>
		£	£
4 1	Staff Costs		
	Wages and salaries	3,373,176	3 219 443
	Social security costs	385 873	355 712
	Other pension costs	32 768	1 873
		<u>3 791 817</u>	<u>3 577 028</u>
	The contribution to the pension fund comprises an annual payment of £32,768 (2008 £1,853)		
4 2	Employees	No	No
	The average monthly number of employees was		
	Management	8	9
	Production	44	50
	Administration	52	54
		<u>104</u>	<u>113</u>
4 3	Directors emoluments		
	Emoluments for qualifying services	<u>16 175</u>	<u>12 730</u>
	The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to one (2008 - one)		
5	INTEREST PAYABLE & RECEIVABLE	<u>2009</u>	<u>2008</u>
		£	£
	Bank interest receivable	14 341	21 399
		<u>14 341</u>	<u>21 399</u>

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30th SEPTEMBER 2009

6 TAXATION	2009	2008
	£	£
6 1 Analysis of charge in period		
Domestic current year tax		
UK Corporation Tax	214,942	152,918
Adjustment for prior years	1,797	0
	<u>216,739</u>	<u>152,918</u>
Factors affecting tax charge for the year		
Profit on ordinary activities before taxation	698,525	513,229
Profit on ordinary activities before taxation multiplied by standard rate of UK Corporation Tax of 28%	195,587	148,836
Factors affecting tax charge -		
Non-deductible expenses	26,002	24,379
Depreciation add back	22,853	22,210
Capital Allowances	(17,437)	(23,385)
Marginal Relief	(12,063)	(19,269)
Previous Year	1,797	(1,832)
Other tax adjustments	0	1,979
CURRENT TAX CHARGE	<u>216,739</u>	<u>152,918</u>

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30th SEPTEMBER 2009

7 PROFIT ATTRIBUTABLE TO AFM HOLDINGS LIMITED

As permitted by section 408 Companies Act 2006 the holding company's profit and loss account has not been included in these financial statements. A profit after tax of £26,148 (2008 £36,775) is attributable to AFM Holdings Limited.

8 INTANGIBLE ASSETS GROUP

This represents goodwill arising on the consolidation of the 100% subsidiary, HeatSERVICE (Maintenance) Ltd. This company was acquired on 1st October 1984.

9 INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Cost of Investments in Subsidiary Undertakings	290,310	290,310

The following companies are wholly owned subsidiary undertakings of AFM Holdings limited, all of which are incorporated in England and Wales.

	Principal Activities -
BTU (Maintenance) Limited	The maintenance and repair of heating and ventilation equipment
BTU (Heating) Limited	The installation of heating and ventilation equipment
BTU (PoolServices) Limited	The maintenance and renovation of swimming pool installations
CHS Limited	The sale of central heating equipment and spares
Weyside Management Services Limited	The provision of accounting management, transport and computer services to the AFM Group
Pool Advisory Services (Woking) Limited [100% owned by BTU (PoolServices) Limited]	Dormant
HeatSERVICE (Maintenance) Limited	Dormant
Help (Household Emergency Services) Limited	Dormant

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30th SEPTEMBER 2009

10 TANGIBLE FIXED ASSETS GROUP

	<u>Leasehold Property Improv'ts</u>	<u>Vehicles</u>	<u>Plant, Fixtures & Fittings</u>	<u>Computer / Phone</u>	<u>Total</u>
	£	£	£	£	£
Cost					
At 1st October 2008	68,851	487,636	191,019	299,902	1,047,408
Additions	0	36,250	0	0	36,250
Disposals	0	(104,820)	0	0	(104,820)
At 30th September 2009	68,851	419,066	191,019	299,902	978,838
Depreciation					
At 1st October 2008	48,190	220,384	166,388	282,290	717,252
Charge for year	6,884	64,393	2,841	7,500	81,618
Disposals	0	(62,705)	0	0	(62,705)
At 30th September 2009	55,074	222,072	169,229	289,790	736,165
Net book value					
At 30th September 2009	13,777	196,994	21,790	10,112	242,673
At 30th September 2008	20,661	267,252	24,631	17,612	330,156

11 TANGIBLE FIXED ASSETS COMPANY

	<u>Leasehold Property Improv'ts</u>	<u>Vehicles</u>	<u>Fixtures & Fittings</u>	<u>Computer / Phone/ Equipment</u>	<u>Total</u>
	£	£	£	£	£
Cost					
At 1st October 2008	68,851	487,636	87,045	285,262	928,794
Additions	0	36,250	0	0	36,250
Disposals	0	(104,820)	0	0	(104,820)
At 30th September 2009	68,851	419,066	87,045	285,262	860,224
Depreciation					
At 1st October 2008	48,190	220,384	84,289	267,651	620,514
Charge for year	6,884	64,393	413	7,500	79,190
Disposals	0	(62,705)	0	0	(62,705)
At 30th September 2009	55,074	222,072	84,702	275,151	636,999
Net book value					
At 30th September 2009	13,777	196,994	2,343	10,111	223,225
At 30th September 2008	20,661	267,252	2,756	17,611	308,280

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30th SEPTEMBER 2009

12 STOCKS	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Work in progress	17,044	14,059	0	0
Finished goods	258,924	274,048	0	0
	<u>275,968</u>	<u>288,107</u>	<u>0</u>	<u>0</u>

13 DEBTORS amounts falling within one year	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	2,004,109	2,863,493	0	0
Amounts recoverable on contracts	442,976	1,053,140	0	0
Prepayments	268,213	264,245	49,032	51,832
Other debtors	308,439	296,988	277,642	265,158
Amounts owed by subsidiary undertakings	0	0	822,959	1,058,331
	<u>3,023,737</u>	<u>4,477,866</u>	<u>1,149,633</u>	<u>1,375,321</u>

14 CREDITORS - Amounts falling due within one year	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Trade creditors	965,302	1,556,357	0	0
Amounts owed to subsidiary undertakings	0	0	2,683,626	2,083,209
Other taxes and social security costs	1,021,632	983,738	38,196	21,494
Accruals and deferred income	795,670	569,866	34,614	46,028
Other creditors	849,978	1,413,311	91,290	264,934
	<u>3,632,582</u>	<u>4,523,272</u>	<u>2,847,726</u>	<u>2,415,665</u>

15 PROVISION FOR LIABILITIES AND CHARGES GROUP and COMPANY	Deferred Tax Liability	
	2009	2008
	£	£
Balance as at 1st October 2008	43,926	43,926
Profit and Loss account	0	0
Balance as at 30th September 2009	<u>43,926</u>	<u>43,926</u>

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30th SEPTEMBER 2009

16 SHARE CAPITAL	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Authorised		
50 000 £1 Ordinary shares	50,000	50,000
50,000 £1 'A' Ordinary shares	50 000	50 000
Allotted, called up and fully paid		
50,000 £1 Ordinary shares	50,000	50 000
25 000 £1 'A' Ordinary shares	25,000	25 000
	<u>75,000</u>	<u>75 000</u>

The ordinary 'A' shares rank pari passu with the ordinary shares in all respects save that the 'A' shares have no voting rights

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Profit for the year	481,786	360 311	26,148	36,775
Dividends paid	(121 275)	(190,510)	(121,275)	(190,510)
Dividends received			0	0
Net (deduction) to shareholders funds	<u>360,511</u>	<u>169 801</u>	<u>(95,127)</u>	<u>(153 735)</u>
Opening shareholders funds	2,078,993	1 909,192	662,418	816 153
Closing shareholders funds	<u>2,439,504</u>	<u>2 078 993</u>	<u>567,291</u>	<u>662 418</u>

18 GROUP CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

HSBC hold Performance Bonds to the value of £69,136
(2008 £116,964) at the balance sheet date

19 RELATED PARTY TRANSACTIONS

During the year rent totalling £79,200 was paid to AFM (Holdings) Limited Pension Scheme. The relevant lease has 9 years to run (to August 11th 2018). This rent was charged at arms length and at normal commercial rate.

At the year end the company owed AFM (Holdings) Limited Pension Scheme a total of £91,290 in loans. The term of the loan is three years maximum with an interest of 3% over the 'Clearing Bank Base Rate'.

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Consultancy Fees totalling £nil (£42 240 for 2008) were paid by AFM (Holdings) Ltd to Mr A F Merritt during the year.

During the year the director has bought a car for £15 000 from the company. The transaction is considered to be at arms length. He received dividends of £121,275.

At the year end Paul Merritt a director owed the company £4 755.

AFM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30th SEPTEMBER 2009

20 CONTROL

The ultimate controlling party is the A F Merritt Business Trust a shareholder of AFM Holdings Limited holding 94% of the issued voting share capital of that company. The trustees are Paul Merritt and Graham Firth.

21 FINANCIAL COMMITMENTS

At 30 September 2009 the group had annual commitments under non-cancellable operating leases as follows:

	<u>2009</u>	<u>2008</u>
Expiry Date	<u>£</u>	<u>£</u>
Between two and five years	41 900	41 900
In over five years	119 200	119 200