Registered No 1888801

LPM Cleaning Limited

Report and Financial Statements for the year ended

31 March 2012

Registered No 1888801

Directors
J Levine
M Saunders
S Dudley
J Read
Z Hewertson

Secretary
M Saunders

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
First Point
Buckingham Gate
Gatwick
West Sussex, RH6 0NT

Bankers
Clydesdale Bank
33 Grace Church Street
London EC3V 0BT

Registered office
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Sidcup
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Directors' report

The directors present their report and the audited financial statements for the year ended 31 March 2012

Results and dividends

The EBITDA (earnings before interest, tax, depreciation and amortisation) amounted to £924,000 (year ended 31 March 2011 – £1,003,000), with an operating profit of £226,000 for the year (year ended 31 March 2011 – £300,000) The directors do not recommend the payment of a dividend (year ended 31 March 2011 – £nil)

Principal activities

The principal activity of the company is that of commercial cleaning and supply of cleaning materials

Review of the business and future developments

LPM Cleaning Limited continues to develop, both in scale and in breadth of the services it provides The company continues to build national strength whilst maintaining a sense of local pride and sector specialist focus, whilst its people take great care in delivering everyday services to more than 1,000 customer locations throughout the UK

During the year, LPM Cleaning Limited continued to structure itself into a single national cleaning business which will provide a platform for the company's future growth strategy

In the year ended 31 March 2012, the company delivered an EBITDA of £924,000 (year ended 31 March 2011 £1,003,000), a small fall since last year due to tough economic conditions, and posted an operating profit of £226,000 (year ended 31 March 2011 - £300,000) With the continued restructuring of the business during the year, exceptional one off costs of £415,000 were incurred (year ended 31 March 2011- £nil) The company increased its revenue by 3% in the year

The financial performance of the company for the year ended 31 March 2012 is set out on page 8 The directors are optimistic about the long term prospects for growth

The company measures its success through monitoring key performance indicators, these include sales growth, gross profit margin and EBITDA %

	Year ended 31/3/2012	Year ended 31/3/2011	Comment
Sales growth	3%	53%	Satisfactory growth in 2012, the growth in 2011 was high due to an amalgamation of trading into one company
Gross profit %	21%	24%	Gross profit margin erosion of 3% due to pressure on margins within the industry in general
EBITDA %	3 4%	3 8%	Strong controls over overheads helped offset most of the gross profit margin erosion

This report has been prepared in accordance with the special provisions relating to medium-sized companies within Part 15 of the Companies Act 2006 and does not disclose non-financial key performance indicators

Principal risks and uncertainties

Economic risk

The economic downturn has a greater impact on certain market sectors, affecting some of our clients more than others, our major costs are variable and we are able to respond and adapt to meet our clients' needs

Directors' report (continued)

Financial risk management objective and policies

The company's activities expose it to a limited number of financial risks The company aims to manage these risks on a day to day basis

Liquidity risk

The company manages its cash and borrowing requirements in order minimize interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business Regular cash flow forecasts are prepared to monitor and forecast working capital, an invoice discounting facility is in place with the bank and funds are transferred between group companies to assist in managing this risk

Interest rate risk

The company is exposed to interest rate risk in its borrowing and cash flow interest rate risk on bank overdraft and loans This is managed through hedging of a proportion of the bank loans

Credit risk

Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the board All customers who wish to trade on credit terms are subject to credit verifications procedures Trade debtors and retentions are reviewed on a regular basis and provision is made for doubtful debts where necessary

Going concern

The parent undertaking has indicated its willingness to continue to provide financial support to the company for the foreseeable future The directors, having considered this and the financial position of the company, have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the company to continue as a going concern Accordingly the directors have a reasonable expectation that the company will continue in operational existence and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Health and safety

Health & safety is a major area of concern for our employees, clients and members of the public The company has a dedicated health & safety department which reviews and monitors this area of risk

Staff policies

Employment policies do not discriminate between employees or potential employees on the grounds of disability The company undertakes to provide employees with information of concern to them that is likely to affect their interests

Key customers

Whilst the company has a variety of major contracts, none are considered material in respect of revenue However, since clients are key to continuing growth, there is a strong management structure in place, incorporating key account managers for major contracts

Disabled employees

We consider all disabled people applying for employment on the basis of their aptitudes and abilities

Our employment policy provides that existing employees who become disabled will have the opportunity to retrain where necessary and to continue in employment

Directors' report (continued)

Directors and company secretary

The directors who served the company during the year were as follows

J Levine	(appointed 1 March 2012)
M Saunders	(appointed 6 February 2012)
S Dudley	(appointed 24 May 2011)
J Read	(appointed 27 July 2011)
Z Hewertson	(appointed 1 February 2012)
F Stratford	(resigned 29 February 2012)
N Hardy Wilson	(resigned 3 January 2012)
E Boyle	(resigned 30 June 2011)
D Weddell	(resigned 31 December 2011)

On 29 February 2012, F Stratford resigned as company secretary and M Saunders was appointed

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006 Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

On behalf of the Board

M Saunders
Director

Date 9 \ 7 \ 12

Registered No: 1888801

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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 company will continue in business

The directors are responsible for keeping proper 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 enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Independent auditors' report

to the members of LPM Cleaning Limited

We have audited the financial statements of LPM Cleaning Limited for the year ended 31 March 2012 which comprise the Profit and Loss Account, the Balance Sheet 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)

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Directors Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its loss 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 Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent auditors' report

to the members of LPM Cleaning Limited (continued)

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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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

Matthew Hall

Matthew Hall (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick

Date 11 July 2012

Profit and loss account

for the year ended 31 March 2012

	Notes	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Turnover	2	27,037	26,249
Cost of sales		(21,272)	(19,823)
Gross profit		5,765	6,426
Administrative expenses		(4,841)	(5,423)
EBITDA		924	1,003
Amortisation of goodwill	8	(400)	(400)
Depreciation	3	(298)	(303)
Operating profit	3	226	300
Interest payable and similar charges	6	(241)	(230)
Exceptional costs	3	(415)	-
(Loss)/profit on ordinary activities before taxation		(430)	70
Tax on (loss)/profit on ordinary activities	7	129	93
(Loss)/profit for the financial year	16	(301)	163

All amounts relate to continuing operations

There is no material difference between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial year stated above and their historical cost equivalents

There were no gains or losses other than the loss for the financial year and therefore no statement of total recognised gains and losses has been presented

Balance sheet

At 31 March 2012

	Notes	31 March 2012 £'000	31 March 2011 £'000
Fixed assets			
Intangible assets	8	7,142	7,542
Tangible assets	9	804	607
Investments	10	1,537	1,537
		9,483	9,686
Current assets			
Stocks	11	167	173
Debtors	12	6,734	4,937
Cash at bank and in hand		31	524
		6,932	5,634
Creditors amounts falling due within one year	13	(14,907)	(13,504)
Net current liabilities		(7,975)	(7,870)
Total assets less current liabilities		**1,508**	**1,816**
Creditors: amounts falling due after more than one year	14	10	17
Capital and reserves			
Called up share capital	16	–	–
Profit and loss account	17	1,498	1,799
Total capital and reserves	18	1,498	1,799
Total capital, reserves and long term liabilities		**1,508**	**1,816**

The financial statements on pages 8 to 21 were approved by the Board of Directors and signed on their behalf by

M Saunders

Director

Date 9/7/12

Registered number: 1888801

Notes to the financial statement

At 31 March 2012

1. Accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom The principal accounting policies, which have been applied consistently throughout the year, are set out below

Going concern

The parent undertaking has indicated its willingness to continue to provide financial support to the company for the foreseeable future The directors, having considered this and the financial position of the company, have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the company to continue as a going concern Accordingly the directors have a reasonable expectation that the company will continue in operational existence and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Turnover

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and VAT

The following criteria must also be met before revenue is recognised

Rendering of services

Revenue from cleaning services is recognised by reference to contractual commitments with customers and labour hours incurred

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of goods

Turnover not recognised immediately under this policy is classified as deferred income in the balance sheet until the relevant performance criteria have been met Accrued income is recognised when work has been fully completed by the year end but has yet to be invoiced Provision is made for any foreseeable losses where appropriate

Group financial statements

The company is entitled to the exemption under Section 400 of the Companies Act 2006 from the obligation to prepare group financial statements These financial statements present information about the undertaking as an individual entity only and not about its group

Statement of cash flows

The financial statements do not include a statement of cash flows because the company is a subsidiary where 100% of the voting rights are controlled within the group and consolidated financial statements, which include the subsidiary undertaking, are made publicly available, and therefore is exempt from the requirement to produce a statement under Financial Reporting Standard 1 Statement of Cash Flows (Revised)

Notes to the financial statement

At 31 March 2012

1. Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use The carrying values of tangible fixed assets are reviewed for impairment when changes in circumstances indicate that the carrying value may not be recoverable

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Leasehold properties	–	Straight line over the life of the lease
Plant and machinery	–	25% straight line
Fixtures, fittings and equipment	–	20% straight line
Motor vehicles	–	25% straight line

Goodwill

Goodwill arising on acquisitions represents the excess of the cost of acquisition over the company's interest in the fair value of the identifiable assets and liabilities of the acquired entity Goodwill is stated at cost, less any accumulated impairment losses It is classified as an asset on the balance sheet and amortised over its estimated useful life of 20 years This length of time is presumed to be the maximum useful life of goodwill because it is difficult to make projections beyond this period Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or the right to pay less or to receive more tax, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Stocks

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

Notes to the financial statement

At 31 March 2012

1. Accounting policies (continued)

Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives 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 constant periodic rates of charge on the net obligations outstanding in each period

Operating leases

Rentals under operating leases are charged 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

Invoice factoring

The company makes use of an invoice discounting facility from its bankers An invoice factoring creditor is recognised when funds are withdrawn against the facility on lodging raised sales invoices The creditor is reduced by cash received on payment of sales invoices by customers Interest is borne on the value of the invoice discounting facility that is utilised

Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year to a number of defined contribution schemes in respect of its directors

2. Turnover

The total turnover of the company for the year has been derived from its principal activity of cleaning services which is wholly undertaken in the UK.

3. Operating profit

Operating profit is stated after charging

		Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Depreciation on assets held under finance leases		27	41
Depreciation of owned tangible fixed assets		271	262
Amortisation of goodwill		400	400
Auditors' remuneration	– audit services	19	27
	– non-audit services	-	8
Operating lease rentals	– land and buildings	150	153
	– other	189	92
and after crediting			
Profit on disposal of tangible fixed assets		5	5

Exceptional costs are charged below operating profit and relate to non-recurring costs associated with the on-going restructuring of the business during the year

Notes to the financial statement

At 31 March 2012

4 Directors' remuneration

The following directors' remuneration in respect of qualifying services provided to the company and its subsidiaries was paid during the year

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Remuneration and other emoluments	483	296
Compensation for loss of office	173	-
Contributions to pension schemes	21	17
	677	313

The above includes directors' remuneration of £44,000 (2011 £71,000) which has been paid by fellow group companies for qualifying services performed for this company during the year

The emoluments of the highest paid director were as follows

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Emoluments and other benefits	106	137
Compensation for loss of office	97	-
Contribution to pension scheme	-	6
	203	143

5. Staff costs

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Wages and salaries	18,661	18,120
Social security costs	1,017	1,289
Pension costs - other operating charge	18	38
	19,696	19,447

Notes to the financial statement
At 31 March 2012

5. Staff costs (continued)

The average monthly number of employees of the company during the year were as follows

	Year ended 31 March 2012 No	Year ended 31 March 2011 No
Directors	4	4
Administration	76	86
Cleaning	1,210	1,220
	1,290	1,310

6. Interest payable and similar charges

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Invoice discounting interest	217	211
Finance lease interest	5	5
Bank interest	19	14
	241	230

Notes to the financial statement
At 31 March 2012

7 **Tax**

(a) Tax on (loss)/profit on ordinary activities

The tax charge is made up as follows

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Current tax		
UK corporation tax on the (loss)/profit for the year	–	–
Total current tax (note 7(b))	–	–
Deferred tax - origination and reversal of timing differences	(106)	(93)
- prior year adjustment	(23)	–
Tax on (loss)/profit on ordinary activities	(129)	(93)

(b) Factors affecting the tax charge for the year

The tax assessed on the (loss)/profit on ordinary activities for the year is different from the standard rate of corporation tax in the UK of 26% (2011 – 28%) The differences are explained below

	31 March 2012 £'000	31 March 2011 £'000
(Loss)/profit on ordinary activities before taxation	(430)	70
Tax continued		
(Loss)/profit on ordinary activities before taxation multiplied by standard rate of corporation tax in the United Kingdom of 26% (2011 – 28%)	(112)	20
Effects of		
Expenses not deductible for tax purposes	5	116
Capital allowances in excess of depreciation	174	66
Other short term timing differences	(26)	21
Unrelieved tax losses carried forward	(41)	–
Brought forward tax losses utilised	–	(223)
Current tax charge for year (note 7(a))	–	–

Notes to the financial statement

At 31 March 2012

7. Tax (continued)

(c) Deferred tax

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
At beginning of the year	(380)	(287)
Profit and loss account	(129)	(93)
At end of year	(509)	(380)

	31 March 2012 £'000	31 March 2011 £'000
Decelerated capital allowances	(509)	(280)
Other timing differences	–	(100)
	(509)	(380)

Deferred taxation provided in the financial statements is as above

There is an unrecognised deferred tax asset in respect of losses of £133,000 (2011 loss £123,000) which has not been recognised due to uncertainty over suitable future profit being available for offset

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014 A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and a further reduction to 24% (effective from 1 April 2012) was substantively enacted on 26 March 2012

This will reduce the company's future current tax charge accordingly The deferred tax asset at 31 March 2012 has been calculated based on the rate of 24% substantively enacted at the balance sheet date

It has not yet been possible to quantify the full anticipated effect of the announced further 2% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly

Notes to the financial statement

At 31 March 2012

8. Intangible fixed assets

	Purchased goodwill £'000
Cost	
At 1 April 2011 and 31 March 2012	7,999
Accumulated amortisation	
At 1 April 2011	(457)
Charge for year	(400)
At 31 March 2012	(857)
Net book value	
At 31 March 2012	7,142
At 31 March 2011	7,542

9. Tangible fixed assets

	Plant and machinery £'000	Leasehold properties £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 April 2011	586	38	1,014	427	2,065
Additions	499	1	9	7	516
Disposals/write-offs	(108)	-	(33)	(35)	(176)
Reclassifications	916	-	(916)	-	-
At 31 March 2012	1,893	39	74	399	2,405
Accumulated depreciation					
At 1 April 2011	335	9	784	330	1,458
Charge for the year	182	7	57	52	298
Disposals/write-offs	(94)	-	(33)	(28)	(155)
Reclassifications	755	-	(755)	-	-
At 31 March 2012	1,178	16	53	354	1,601
Net book value					
At 31 March 2012	715	23	21	45	804
At 31 March 2011	251	29	230	97	607

The above figures include assets with net book value of £25,000 (2011 £71,000) held under finance leases with £27,000 depreciation charged on these assets for the year (2011 – £41,000)

During the year, a review of fixed assets led to a correction and reclassification of assets with a net book value of £161,000 from fixtures and fittings into plant and machinery

Notes to the financial statement

At 31 March 2012

10. Investments

	Shares in subsidiary undertakings £'000
Cost	
At 1 April 2011 and 31 March 2012	1,537

The company holds investment within the following

Subsidiaries	Nature of business	Country of incorporation	Class of share capital held	Company %
LPM Dependable Limited	Contract Cleaning	UK	Ordinary	100

The directors believe that the carrying value of the investments is supported by their underlying net assets

11. Stocks

	31 March 2012 £'000	31 March 2011 £'000
Finished goods	167	173

12. Debtors

	31 March 2012 £'000	31 March 2011 £'000
Trade debtors	4,537	4,177
Amounts owed by group undertakings	1,549	149
Other debtors	1	-
Prepayments and accrued income	138	231
Deferred tax asset	509	380
	6,734	4,937

Notes to the financial statement

At 31 March 2012

13. Creditors: amounts falling due within one year

	31 March 2012 £'000	31 March 2011 £'000
Trade creditors	1,137	874
Amounts owed to group undertaking	8,975	7,747
Invoice discounting facility	2,829	2,679
Other taxes and social security costs	790	833
Other creditors	588	512
Finance lease creditor	13	30
Accruals and deferred income	575	829
	14,907	13,504

Amounts owing under the invoice factoring creditor are secured by a fixed and floating charge over the trade debtors and attracts interest at 3 5% + bank base rate

Amounts due to/from group undertakings are unsecured, interest free and repayable on demand

14. Creditors: amounts falling due after one year

	31 March 2012 £'000	31 March 2011 £'000
Finance lease creditor	10	17

15. Obligations under finance leases and hire purchase contracts

	31 March 2012 £'000	31 March 2011 £'000
Amounts payable		
Within one year	13	30
In two to five years	10	17
	23	47

16. Called up share capital

		31 March 2012		31 March 2011
Allotted and fully paid	No	£	No	£
100 Ordinary shares of £1 each	100	100	100	100

Notes to the financial statement
At 31 March 2012

17. Profit and loss account

	Profit and loss account £'000
At 1 April 2011	1,799
Loss for the year	(301)
At 31 March 2012	1,498

18. Reconciliation of movements in shareholders' funds

	31 March 2012 £'000	31 March 2011 £'000
Opening shareholders' funds	1,799	1,636
(Loss)/profit for the financial year	(301)	163
Closing shareholders' funds	1,498	1,799

19. Pensions

The group makes contributions to a number of, but doesn't operate any defined contribution pension schemes in respect of its directors The pension charge includes contributions due from the company at the year-end amounting to £nil (year ended 31 March 2011 – £nil)

20. Other financial commitments

At 31 March 2012 the annual commitments under non-cancellable operating leases are set out below

	Land and buildings		Other	
	31 March 2012 £'000	31 March 2011 £'000	31 March 2012 £'000	31 March 2011 £'000
Leases expiring within				
One year	11	7	39	4
Between two and five years	120	150	129	157
Total commitment	131	157	168	161

Operating lease rentals are charged to the profit and loss account on a straight line basis until the end of the lease

21. Contingent Liabilities

The company has entered into cross guarantees with its ultimate parent company, immediate parent company and fellow subsidiaries in respect of obligations relating to bank borrowings and investor loan notes

Notes to the financial statement

At 31 March 2012

22. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No 8 'Related Party Disclosures' as it is a wholly owned subsidiary of LPM Group Limited Therefore the company has not disclosed transactions or balances with wholly owned entities that form part of the group headed by LPM Group Limited

In the normal course of business, the company undertook transactions with entities that are not wholly owned by LPM Group Limited These transactions primarily relate to the recharging of expenses Details of these transactions and balances outstanding at the balance sheet date are set out below

	31 March 2012 £'000	31 March 2011 £'000
Related party transactions with subsidiaries within the LPM Group – recharging of expenses	(1,325)	(884)
Related party transactions with subsidiaries within the LPM Group – balance payable at balance sheet date	(3,011)	(1,686)

23. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is LPM Acquisitions Limited, a company registered in England and Wales At 31 March 2012, the directors did not consider there to be any ultimate controlling party Funds managed by Sovereign Capital Limited Partnership II LLP, a company incorporated in the United Kingdom, have an effective interest of 88 38% in the equity share capital of LPM Group Limited

The largest and smallest group of undertakings for which group financial statements have been drawn up which includes the results of the company is that headed by LPM Group Limited Copies of the parent undertaking's financial statements are available from Companies House