

# Andersons (Denton Holme) Limited

## FINANCIAL STATEMENTS

for the year ended

31 December 2010



# Andersons (Denton Holme) Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

M Barker  
V Woods

### SECRETARY

C Barker

### REGISTERED OFFICE

Denton Holme Sawmills  
Denton Street  
Carlisle  
Cumbria  
CA2 5EQ

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
The Waterfront  
Salts Mill Road  
Saltaire  
Shipley  
West Yorkshire  
BD17 7EZ

### BANKERS

National Westminster Bank plc  
PO Box 666  
Ashton House  
Waterloo Street  
Bolton  
BL1 8FH

# Andersons (Denton Holme) Limited

## DIRECTORS' REPORT

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The directors submit their report and financial statements of Andersons (Denton Holme) Limited for the year ended 31 December 2010

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of timber merchants and kitchen furniture suppliers

### REVIEW OF THE BUSINESS

The company's balance sheet as detailed on page 8 shows a satisfactory position, shareholders' funds amounting to £1,224,160

The company supplies timber, kitchen and joinery products, to both trade and retail customers, from its three branches located in Carlisle, Dumfries and Kilmarnock. The company also has a property for redevelopment

The Directors are pleased to report a successful year of trading for the company. Turnover has increased on the previous year and profit margins continue to be maintained at an acceptable level in a gradually improving trading climate. Premises have been secured for a fourth branch which is currently planned to open during 2012. Cash resources have been managed carefully during the period with the Company trading well within its banking facility at the year end.

The Directors believe that the Company is well positioned to take advantage of the opportunities presented as the economic climate slowly improves.

The directors consider their key performance indicators to be the following:

Turnover - increased by 10.3%  
Gross margin - maintained at 32%  
Operating profit - decreased by 26.8%  
Bank deposits - increased by £370k

As a result of a group restructure, in October 2010 the company became a wholly-owned subsidiary. Further details are set out in note 17 to the financial statements.

### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £90,483. Particulars of dividends paid are detailed in note 8 to the financial statements.

### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors believe they have addressed all the major risks faced by the business. Long term supply agreements remain in place with key suppliers. Debt is monitored closely to minimise bad debt risk and major debt has insurance policy cover. Overhead cost is closely monitored to maintain net margin. Cashflow remains tightly controlled.

The directors continue to monitor and anticipate changes in the marketplace and embrace new products and technologies to ensure the business remains a market leader.

The new build housing market is showing a slow recovery and, along with customers improving their existing properties, this enables Andersons to embrace all opportunities in the current trading environment.

### DIRECTORS

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

M Barker  
V Woods

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# Andersons (Denton Holme) Limited

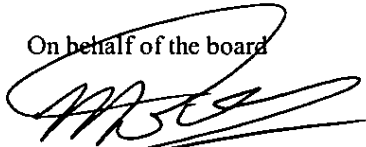
## DIRECTORS' REPORT

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### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the board



M Barker  
Director

23 September 2011

# Andersons (Denton Holme) Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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 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 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 AUDITOR'S REPORT TO THE MEMBERS OF ANDERSONS (DENTON HOLME) LIMITED

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We have audited the financial statements on pages 6 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with 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 auditor's 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 auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

## **Opinion on the 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 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on other matter prescribed by the Companies Act 2006**

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

## **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.

*Baker Tilly UK Audit LLP*

KEITH HILLAM (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
The Waterfront  
Salts Mill Road  
Saltaire  
Shipley  
West Yorkshire BD17 7EZ

26 September 2011

# Andersons (Denton Holme) Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2010

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		2010	2009
	<i>Notes</i>	£	£
TURNOVER	2	8,214,394	7,449,258
Cost of sales		<u>5,561,863</u>	<u>5,074,991</u>
Gross profit		2,652,531	2,374,267
Administrative expenses		2,476,748	2,172,036
Other operating income		—	(37,800)
OPERATING PROFIT	3	<u>175,783</u>	<u>240,031</u>
Interest receivable		292	1,779
		<u>176,075</u>	<u>241,810</u>
Interest payable and similar charges	6	(23,030)	(41,499)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>153,045</u>	<u>200,311</u>
Taxation	7	62,562	59,392
PROFIT FOR THE FINANCIAL YEAR	20	<u>90,483</u>	<u>140,919</u>

The profit for the year arises from the company's continuing operations

**Andersons (Denton Holme) Limited**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
for the year ended 31 December 2010

	2010	2009
	£	£
Profit for the financial year	90,483	140,919
Unrealised surplus on revaluation of certain fixed assets	—	<u>119,884</u>
Total recognised gains and losses since the last financial statements	<u>90,483</u>	<u>260,803</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**  
for the year ended 31 December 2010

	2010	2009
	£	£
Profit on ordinary activities before taxation	153,045	200,311
Realisation of gains recognised in previous periods	800,388	—
Historical cost profit on ordinary activities before taxation	<u>953,433</u>	<u>200,311</u>
Historical cost profit for the year after taxation	<u>890,871</u>	<u>140,919</u>



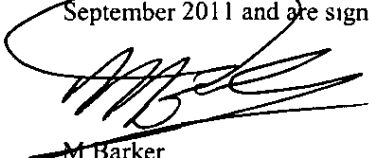
# Andersons (Denton Holme) Limited

## BALANCE SHEET

31 December 2010

	<i>Notes</i>	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	9	342,223	1,665,932
<b>CURRENT ASSETS</b>			
Stocks	10	1,018,977	1,028,670
Debtors	11	2,004,203	1,144,344
Cash at bank and in hand		390,573	20,517
		<u>3,413,753</u>	<u>2,193,531</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	2,507,536	2,166,465
<b>NET CURRENT ASSETS</b>			
		906,217	27,066
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>1,248,440</u>	<u>1,692,998</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	7,680	481,821
Deferred taxation	15	16,600	41,500
		<u>1,224,160</u>	<u>1,169,677</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	50,000	50,000
Revaluation reserve	19	—	546,015
Profit and loss account	20	1,174,160	573,662
<b>SHAREHOLDERS' FUNDS</b>			
	21	<u>1,224,160</u>	<u>1,169,677</u>

The financial statements on pages 6 to 21 were approved by the board of directors and authorised for issue on 23 September 2011 and are signed on their behalf by



M Barker  
Director

# Andersons (Denton Holme) Limited

## CASH FLOW STATEMENT

for the year ended 31 December 2010

	2010	2009
	£	£
Net cash flow from operating activities	656,718	826,741
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	292	1,779
Interest paid	(13,953)	(31,629)
Interest element of hire purchase	(9,077)	(9,870)
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>(22,738)</b>	<b>(39,720)</b>
<b>TAXATION</b>	<b>(62,462)</b>	<b>(63,038)</b>
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets	(38,087)	(82,854)
Receipts from sale of fixed assets	10,330	60,934
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	<b>(27,757)</b>	<b>(21,920)</b>
Equity dividends paid	(36,000)	-
<b>CASH INFLOW BEFORE FINANCING</b>	<b>507,761</b>	<b>702,063</b>
<b>FINANCING</b>		
Repayment of bank loans	(60,831)	(17,714)
Net (outflow)/inflow from other short-term creditors	(6,895)	19,972
Capital element of hire purchase	(69,979)	(78,447)
<b>NET CASH OUTFLOW FROM FINANCING</b>	<b>(137,705)</b>	<b>(76,189)</b>
<b>INCREASE IN CASH IN THE PERIOD</b>	<b>370,056</b>	<b>625,874</b>
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		
	2010	2009
	£	£
Operating profit	175,783	240,031
Depreciation	170,720	213,495
Loss/(profit) on disposal of fixed assets	1,305	(3,514)
Decrease in stocks	9,693	297,504
Increase in debtors	(187,994)	(3,561)
Increase in creditors	430,065	82,786
Other non-cash movements	57,146	-
<b>Net cash inflow from operating activities</b>	<b>656,718</b>	<b>826,741</b>

# Andersons (Denton Holme) Limited

## CASH FLOW STATEMENT (continued)

for the year ended 31 December 2010

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2010 £	2009 £
Increase in cash in the period	370,056	625,874
Net cash outflow from bank loans	60,831	17,714
Net outflow from/(inflow) from other short-term creditors	6,895	(19,972)
Cash outflow in respect of hire purchase	69,979	78,447
Other non-cash items	450,430	—
Change in net funds	<u>958,191</u>	<u>702,063</u>
Net debt at the beginning of the year	(1,247,226)	(1,949,289)
Net debt at the end of the year	<u>(289,035)</u>	<u>(1,247,226)</u>

### ANALYSIS OF NET FUNDS

	At 1 Jan 2010 £	Cash flows £	Other non-cash changes £	At 31 Dec 2010 £
Cash in hand and at bank	20,517	370,056	—	390,573
Debt due within 1 year	(724,829)	67,726	2,851	(654,252)
Debt due after 1 year	(468,138)	—	468,138	—
Hire purchase agreements	(74,776)	69,979	(20,559)	(25,356)
	<u>(1,267,743)</u>	<u>137,705</u>	<u>450,430</u>	<u>(679,608)</u>
Total	<u>(1,247,226)</u>	<u>507,761</u>	<u>450,430</u>	<u>(289,035)</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

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### 1 ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets

#### GOING CONCERN

The company continued to trade profitably in 2010 due to the cost reduction programme implemented following the recession, with staffing levels and costs being monitored continually to best match market conditions and anticipated sales

During the year the company continued to operate well within its banking facilities, which have been renewed subsequent to the year end. Management accounts for the first six months of 2011 show continued profitability

Given the above, the directors are satisfied that the company has sufficient cashflows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements

#### TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business, exclusive of Value Added Tax

#### FIXED ASSETS

All fixed assets are initially recorded at cost

The company has adopted a policy of regular property revaluations in accordance with FRS15

#### DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	-	2% straight line
Leasehold Property	-	over the period of the lease
Plant & Machinery	-	4% - 10% straight line
Fixtures & Fittings	-	10% - 25% straight line
Motor Vehicles	-	25-33% straight line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve

#### STOCKS

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

#### HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

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### 1 ACCOUNTING POLICIES *(continued)*

#### OPERATING LEASE AGREEMENTS

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

#### PENSION COSTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### FINANCIAL INSTRUMENTS

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

### 2 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below.

	2010	2009
	£	£
United Kingdom	<u>8,214,394</u>	<u>7,449,258</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

### 3 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2010	2009
	£	£
Depreciation of owned fixed assets	166,899	116,912
Depreciation of assets held under hire purchase agreements	3,821	96,583
Loss/(Profit) on disposal of fixed assets	1,305	(3,514)
Auditor's remuneration		
- as auditor	10,500	10,000
Operating lease costs		
- Plant and equipment	-	2,885
- Other	175,750	161,508

### 4 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year was

	2010	2009
	No	No
Number of production staff	37	36
Number of administrative staff	11	11
Number of management staff	2	2
	<u>50</u>	<u>49</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	1,250,625	1,003,683
Social security costs	136,853	118,502
Other pension costs	29,865	30,301
	<u>1,417,343</u>	<u>1,152,486</u>

### 5 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2010	2009
	£	£
Remuneration receivable	271,809	105,611
Value of company pension contributions to money purchase schemes	21,456	20,758
	<u>293,265</u>	<u>126,369</u>

Remuneration of highest paid director

	2010	2009
	£	£
Total remuneration (excluding pension contributions)	165,315	58,615
Value of company pension contributions to money purchase schemes	10,728	10,379
	<u>176,043</u>	<u>68,994</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

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### 5 DIRECTORS' REMUNERATION *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows

	2010	2009
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

### 6 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
On bank loans and overdrafts	12,977	24,413
On finance leases	9,077	9,870
Other interest	976	7,216
	<u>23,030</u>	<u>41,499</u>

### 7 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2010	2009
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year	88,000	78,000
Over provision in prior year	(538)	(3,608)
Total current tax	<u>87,462</u>	<u>74,392</u>
Deferred tax		
Origination and reversal of timing differences	(24,900)	(15,000)
Tax on profit on ordinary activities	<u>62,562</u>	<u>59,392</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

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### 7 TAXATION ON ORDINARY ACTIVITIES *(continued)*

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 - 28%), as explained below

	2010	2009
	£	£
Profit on ordinary activities before taxation	<u>153,045</u>	<u>200,311</u>
Profit on ordinary activities by rate of tax	42,853	56,087
Effects of		
Depreciation in excess of capital allowances	16,349	12,488
Permanent differences	31,387	11,774
Other differences	483	1,379
Over provision in prior years	(538)	(3,608)
Small companies relief	(3,072)	(3,728)
Total current tax (note 7(a))	<u>87,462</u>	<u>74,392</u>

### 8 DIVIDENDS

#### Equity dividends

	2010	2009
	£	£
Paid during the year		
Equity dividends on ordinary shares	<u>36,000</u>	<u>—</u>

During the year a dividend of £7 20 per £1 ordinary share was declared. The holder of 45,000 £1 ordinary shares waived his right to this dividend (see note 17)

#### Proposed after the year end (not recognised as a liability)

Equity dividends on ordinary shares (£9 10 per £1 ordinary share)	<u>455,000</u>	<u>—</u>
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# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

### 9 TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost or valuation						
At 1 January 2010	1,200,000	18,341	207,032	771,068	419,779	2,616,220
Additions	-	-	-	54,091	4,555	58,646
Disposals	-	-	-	(16,765)	-	(16,765)
Transfers	(1,200,000)	-	-	-	-	(1,200,000)
At 31 December 2010	<u>-</u>	<u>18,341</u>	<u>207,032</u>	<u>808,394</u>	<u>424,334</u>	<u>1,458,101</u>
Depreciation						
At 1 January 2010	-	10,679	161,066	499,032	279,511	950,288
Charge for the year	-	1,835	16,982	74,557	77,346	170,720
On disposals	-	-	-	(5,130)	-	(5,130)
At 31 December 2010	<u>-</u>	<u>12,514</u>	<u>178,048</u>	<u>568,459</u>	<u>356,857</u>	<u>1,115,878</u>
Net book value						
At 31 December 2010	<u>-</u>	<u>5,827</u>	<u>28,984</u>	<u>239,935</u>	<u>67,477</u>	<u>342,223</u>
At 31 December 2009	<u>1,200,000</u>	<u>7,662</u>	<u>45,966</u>	<u>272,036</u>	<u>140,268</u>	<u>1,665,932</u>

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows

	2010 £	2009 £
Historical cost		
At 1 January 2010	669,277	669,277
Disposals in year	(669,277)	-
At 31 December 2010	<u>-</u>	<u>669,277</u>
Depreciation		
At 1 January 2010	258,510	245,124
On disposals	(269,665)	-
Charge for year	11,155	13,386
At 31 December 2010	<u>-</u>	<u>258,510</u>
Net historical cost value		
At 31 December 2010	<u>-</u>	<u>410,767</u>
At 1 January 2010	<u>410,767</u>	<u>424,153</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

### 9 TANGIBLE FIXED ASSETS *(continued)*

#### Hire purchase agreements

Included within the net book value of £342,223 is £20,559 (2009 - £114,126) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £3,821 (2009 - £96,583)

### 10 STOCKS

	2010	2009
	£	£
Finished goods	709,899	719,592
Development property	309,078	309,078
	<u>1,018,977</u>	<u>1,028,670</u>

### 11 DEBTORS

	2010	2009
	£	£
Trade debtors	600,415	541,632
Amounts owed by group undertakings	671,865	—
Amounts owed by related undertakings	140,710	166,511
Other debtors	117,842	93,691
Directors' current account	378,542	276,578
Prepayments and accrued income	94,829	65,932
	<u>2,004,203</u>	<u>1,144,344</u>

Included in amounts owed by group undertakings is an amount of £671,865 which is due after more than one year (2009 - £nil)

During the year ended 31 December 2010 the company loaned monies to M Barker, a director, on an interest free basis. The balance at 31 December 2010 was £365,266 (2009 £276,256) and the maximum balance outstanding during the year was £365,266

During the year ended 31 December 2010 the company loaned monies to V Woods, a director, on an interest free basis. The balance at 31 December 2010 was £13,276 (2009 £322) and the maximum balance outstanding during the year was £13,276

### 12 CREDITORS Amounts falling due within one year

	2010	2009
	£	£
Bank loans	220,000	283,682
Trade creditors	971,840	838,408
Corporation tax	132,854	107,854
Other taxation and social security	266,967	99,343
Obligations under hire purchase agreements	17,676	61,093
Other creditors	374,659	262,499
Factoring account	434,252	441,147
Accruals and deferred income	89,288	72,439
	<u>2,507,536</u>	<u>2,166,465</u>

The bank loan is an interest only loan of £220,000 on which interest is being incurred at 1.5% above the bank's base rate. The loan falls due for repayment in May 2011

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

### 12 CREDITORS Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2010	2009
	£	£
Bank loans	220,000	283,682
Factoring account	434,252	441,147
Hire purchase contracts	17,676	61,093
	<u>671,928</u>	<u>785,922</u>

### 13 CREDITORS Amounts falling due after more than one year

	2010	2009
	£	£
Bank loans	–	468,138
Obligations under hire purchase agreements	7,680	13,683
	<u>7,680</u>	<u>481,821</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2010	2009
	£	£
Bank loans	–	468,138
Hire purchase contracts	7,680	13,683
	<u>7,680</u>	<u>481,821</u>

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date

	2010	2009
	£	£
Bank loans	–	156,751

### 14 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	2010	2009
	£	£
Amounts payable within 1 year	17,676	61,093
Amounts payable between 2 to 5 years	7,680	13,683
	<u>25,356</u>	<u>74,776</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

### 15 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2010 £	2009 £
Provision brought forward	41,500	56,500
Profit and loss account movement arising during the year	(24,900)	(15,000)
Provision carried forward	<u>16,600</u>	<u>41,500</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2010 £	2009 £
Excess of taxation allowances over depreciation on fixed assets	16,600	41,500
	<u>16,600</u>	<u>41,500</u>

### 16 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below

	2010		2009	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire				
Within 1 year	-	-	-	32,493
Within 2 to 5 years	62,000	970	98,090	491
In more than 5 years	157,600	-	-	-
	<u>219,600</u>	<u>970</u>	<u>98,090</u>	<u>32,984</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

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### 17 RELATED PARTY TRANSACTIONS

Until 22 October 2010 the company was directly controlled by M Barker, a director, by virtue of his holding of 90% of the company's issued share capital

On 22 October 2010, the entire issued share capital of the company was acquired by Singleday Limited by way of a share for share exchange with the shareholders of Andersons (Denton Holme) Limited. Subsequently, the company transferred freehold property to Singleday Limited for £1.2m, its open market value. Singleday Limited has in turn advanced funds to Andersons (Denton Holme) Limited amounting to £470,989. Singleday Limited was a company incorporated in England and Wales.

Andersons (Denton Holme) Limited continues to occupy the property concerned and subsequent to the transfer rental invoices totalling £50,870 were submitted to the company by Singleday Limited, of which £27,798 related to the post year end period. In addition, Singleday Limited has incurred and recharged to Andersons (Denton Holme) Limited net expenses amounting to £6,276.

The balance owing to Andersons (Denton Holme) Limited by Singleday Limited as at the year end was £671,865 and this amount is repayable in more than one year.

At the year end the company was party to an unlimited inter-company guarantee with Singleday Limited and that company's bankers.

As a result of a group reorganisation following the year end, Singleday Limited's business and properties were separated by way of a demerger and transferred to two other companies. Singleday Limited was liquidated on 24 January 2011. Andersons (Denton Holme) Limited consequently became a wholly-owned subsidiary of Triggerdown Limited, a company controlled by M Barker, director.

The company is also related to Pacific Imports Limited, a company which is controlled by M Barker, director. During the year the company settled expenses on behalf of Pacific Imports Limited totalling £24,659. A balance of £191,710 was owed by Pacific Imports Limited at the year end (2009 £166,511). A provision of £51,000 has been made against this debt.

During the year V Woods, director, received a dividend on his ordinary shareholding totalling £36,000. M Barker waived his right to this dividend.

### 18 SHARE CAPITAL

	2010	2009
	£	£
Allotted, called up and fully paid 50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

### 19 REVALUATION RESERVE

	2010	2009
	£	£
At the beginning of the year	546,015	426,131
Revaluation of fixed assets	-	119,884
Transfer to Profit and Loss account on disposal	<u>(546,015)</u>	-
At the end of the year	<u>-</u>	<u>546,015</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

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### 20 PROFIT AND LOSS ACCOUNT

	2010	2009
	£	£
At the beginning of the year	573,662	432,743
Profit for the financial year	90,483	140,919
Dividends	(36,000)	-
Transfer from revaluation reserve	546,015	-
At the end of the year	<u>1,174,160</u>	<u>573,662</u>

### 21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010	2009
	£	£
Profit for the financial year	90,483	140,919
Other net recognised gains and losses	-	119,884
Dividends	(36,000)	-
Net addition to shareholders' funds	54,483	260,803
Opening shareholders' funds	<u>1,169,677</u>	<u>908,874</u>
Closing shareholders' funds	<u>1,224,160</u>	<u>1,169,677</u>