

REGISTERED NUMBER: SC248915 (Scotland)

**Report of the Directors and  
Financial Statements for the Year Ended 31 July 2012  
for  
Beattie Communications Group Limited**

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**Beattie Communications Group Limited**

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for the Year Ended 31 July 2012**

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**Beattie Communications Group Limited**

**Company Information  
for the Year Ended 31 July 2012**

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**DIRECTORS:** G Beattie  
Ms L Woods  
Ms V Walker  
L Mitchell  
D Reid  
P Cunningham

**REGISTERED OFFICE:** 118 North Main Street  
Carronshore  
Falkirk  
Stirlingshire  
FK2 8HU

**REGISTERED NUMBER:** SC248915 (Scotland)

**AUDITORS:** Campbell Dallas LLP  
Titanium 1  
King's Inch Place  
Renfrew  
PA4 8WF

**SOLICITORS:** Biggart Baillie  
310 St Vincent Street  
Glasgow  
Lanarkshire  
G2 5DR

## **Beattie Communications Group Limited**

### **Report of the Directors for the Year Ended 31 July 2012**

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The directors present their report with the financial statements of the company for the year ended 31 July 2012.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of provision of public relations services.

#### **REVIEW OF BUSINESS**

2012 was another year of achievement and success for Beattie Communications Group with turnover, profits and reserves increasing.

Turnover rose 4.6% to £6.3 million while operating profit nudged higher by 1% to £394,762. Meanwhile, gross percentage profit remained constant at 33% in an increasingly competitive marketplace.

2012 saw us continuing to make further investments in the Only brand with the launch of Only marketing boutiques in the United States, Ireland and Australia. We also broke new ground by launching Only Men and Only Women, thus establishing ourselves as global leaders in gender marketing. Another new venture was our investment in a new video production and marketing division.

The PR, traditional marketing and digital marketing sides of our business continued to thrive throughout 2012 and we are confident 2013 will be another strong year for all business units across the Beattie Communications Group.

Finally, a huge thank you to our board, senior management team and each of our people who are committed to delivering remarkable results and outstanding service to all our clients.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 July 2012.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 August 2011 to the date of this report.

G Beattie  
Ms L Woods  
Ms V Walker  
L Mitchell

Other changes in directors holding office are as follows:

D Reid - appointed 1 August 2011  
P Cunningham - appointed 1 August 2011

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year, the company donated 2012: £3,514 (2011: £2,662) towards charitable causes.

**Report of the Directors  
for the Year Ended 31 July 2012**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 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;
- 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.


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

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Campbell Dallas LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
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Ms L Woods - Director

Date: 11th February 2013

## **Report of the Independent Auditors to the Members of Beattie Communications Group Limited**

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We have audited the financial statements of Beattie Communications Group Limited for the year ended 31 July 2012 on pages six to nineteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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.

### **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 Report of the Directors 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 July 2012 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

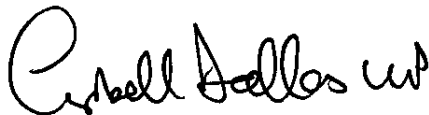
**Report of the Independent Auditors to the Members of  
Beattie Communications Group Limited**

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**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.



FWJ Campbell (Senior Statutory Auditor)  
for and on behalf of Campbell Dallas LLP  
Titanium 1  
King's Inch Place  
Renfrew  
PA4 8WF

Date: ..... 15/2/13 .....

**Beattie Communications Group Limited****Profit and Loss Account  
for the Year Ended 31 July 2012**

	Notes	2012 £	2011 £
<b>TURNOVER</b>		6,329,447	6,051,498
Cost of sales		4,238,670	4,003,143
<b>GROSS PROFIT</b>		2,090,777	2,048,355
Administrative expenses		1,803,877	1,768,098
		286,900	280,257
Other operating income		107,862	110,273
<b>OPERATING PROFIT</b>	3	394,762	390,530
Interest receivable and similar income		6	1,635
		394,768	392,165
Interest payable and similar charges	4	12,212	20,623
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		382,556	371,542
Tax on profit on ordinary activities	5	93,665	99,644
<b>PROFIT FOR THE FINANCIAL YEAR</b>		288,891	271,898

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

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

The notes form part of these financial statements



**Beattie Communications Group Limited**

**Balance Sheet  
31 July 2012**

	Notes	2012		2011	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		1,740,257		1,691,556
Investments	7		956		956
			<u>1,741,213</u>		<u>1,692,512</u>
<b>CURRENT ASSETS</b>					
Debtors	8	1,477,527		1,446,660	
Cash at bank and in hand		293,624		369,080	
		<u>1,771,151</u>		<u>1,815,740</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	9	1,455,008		1,659,873	
			<u>316,143</u>		<u>155,867</u>
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			2,057,356		1,848,379
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		(596,875)		(683,461)
<b>PROVISIONS FOR LIABILITIES</b>	14		<u>(28,710)</u>		<u>(22,038)</u>
<b>NET ASSETS</b>					
			<u>1,431,771</u>		<u>1,142,880</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		80,016		80,016
Profit and loss account	16		1,351,755		1,062,864
			<u>1,431,771</u>		<u>1,142,880</u>
<b>SHAREHOLDERS' FUNDS</b>					
	18		<u>1,431,771</u>		<u>1,142,880</u>

The financial statements were approved by the Board of Directors on 11th February 2013 and were signed on its behalf by:

*L. Woods*  
Ms L Woods - Director

The notes form part of these financial statements

**Beattie Communications Group Limited**

**Cash Flow Statement  
for the Year Ended 31 July 2012**

	Notes	2012		2011	
		£	£	£	£
<b>Net cash inflow from operating activities</b>	1		280,347		550,359
<b>Returns on investments and servicing of finance</b>	2		(12,206)		(18,988)
<b>Taxation</b>			(104,993)		(106,964)
<b>Capital expenditure</b>	2		(110,441)		(37,726)
			52,707		386,681
<b>Financing</b>	2		(128,163)		(207,845)
<b>(Decrease)/increase in cash in the period</b>			<u>(75,456)</u>		<u>178,836</u>
<b>Reconciliation of net cash flow to movement in net debt</b>					
	3				
(Decrease)/increase in cash in the period		(75,456)		178,836	
Cash outflow from decrease in debt		<u>86,586</u>		<u>225,084</u>	
Change in net debt resulting from cash flows			<u>11,130</u>		<u>403,920</u>
<b>Movement in net debt in the period</b>			11,130		403,920
<b>Net debt at 1 August</b>			<u>(367,937)</u>		<u>(771,857)</u>
<b>Net debt at 31 July</b>			<u><u>(356,807)</u></u>		<u><u>(367,937)</u></u>

The notes form part of these financial statements

**Beattie Communications Group Limited****Notes to the Cash Flow Statement  
for the Year Ended 31 July 2012****1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2012	2011
	£	£
Operating profit	394,762	390,530
Depreciation charges	60,755	56,491
Loss on disposal of fixed assets	986	-
Increase in debtors	(867)	(461,545)
(Decrease)/increase in creditors	(175,289)	564,883
<b>Net cash inflow from operating activities</b>	<u>280,347</u>	<u>550,359</u>

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

	2012	2011
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	6	1,635
Interest paid	(12,212)	(20,623)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u>(12,206)</u>	<u>(18,988)</u>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(111,556)	(37,726)
Sale of tangible fixed assets	1,115	-
<b>Net cash outflow for capital expenditure</b>	<u>(110,441)</u>	<u>(37,726)</u>
<b>Financing</b>		
Loan repayments in year	(86,586)	(85,084)
Amount introduced by directors	10,579	55,917
Amount withdrawn by directors	(52,156)	(38,678)
<b>Net cash outflow from financing</b>	<u>(128,163)</u>	<u>(67,845)</u>

The notes form part of these financial statements

**Beattie Communications Group Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 July 2012**

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**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.8.11 £	Cash flow £	At 31.7.12 £
Net cash:			
Cash at bank and in hand	369,080	(75,456)	293,624
	<u>369,080</u>	<u>(75,456)</u>	<u>293,624</u>
Debt:			
Debts falling due within one year	(53,556)	-	(53,556)
Debts falling due after one year	(683,461)	86,586	(596,875)
	<u>(737,017)</u>	<u>86,586</u>	<u>(650,431)</u>
Total	<u>(367,937)</u>	<u>11,130</u>	<u>(356,807)</u>

The notes form part of these financial statements

# Beattie Communications Group Limited

## Notes to the Financial Statements for the Year Ended 31 July 2012

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### 1. ACCOUNTING POLICIES

#### Accounting convention

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

#### Preparation of consolidated financial statements

The financial statements contain information about Beattie Communications Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

#### Turnover

Turnover represents sales of public relations and marketing services, excluding value added tax.

#### Tangible fixed assets

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

Freehold property	- 1% on cost
Fixtures, fittings and equipment	- 33% on cost and 15% - 25% on reducing balance
Motor vehicles	- 25% on reducing balance

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Deferred tax is provided at the average rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

#### Hire purchase and leasing commitments

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

#### Pension costs and other post-retirement benefits

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

### 2. STAFF COSTS

	2012	2011
	£	£
Wages and salaries	2,424,408	2,347,775
Social security costs	274,428	223,828
Other pension costs	70,014	76,922
	<u>2,768,850</u>	<u>2,648,525</u>

**Beattie Communications Group Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2012**

**2. STAFF COSTS - continued**

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

	2012	2011
Management	<u>81</u>	<u>74</u>

**3. OPERATING PROFIT**

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

	2012	2011
	£	£
Hire of plant and machinery	560	-
Other operating leases	193,866	211,758
Depreciation - owned assets	60,754	56,491
Loss on disposal of fixed assets	986	-
Auditors' remuneration	9,066	7,705
Foreign exchange differences	<u>(395)</u>	<u>(4,278)</u>
Directors' remuneration	512,634	401,630
Directors' pension contributions to money purchase schemes	<u>26,860</u>	<u>30,700</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>3</u>
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Information regarding the highest paid director is as follows:

	2012	2011
	£	£
Emoluments etc	180,521	197,410
Pension contributions to money purchase schemes	<u>10,800</u>	<u>10,200</u>

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2012	2011
	£	£
Bank interest	-	618
Bank loan interest	<u>12,212</u>	<u>20,005</u>
	<u>12,212</u>	<u>20,623</u>

5. TAXATION

**Analysis of the tax charge**

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

	2012 £	2011 £
Current tax:		
UK corporation tax	86,993	104,000
Taxation over under provision	-	(1,383)
	<u>86,993</u>	<u>102,617</u>
Total current tax	86,993	102,617
Deferred tax	6,672	(2,973)
	<u>93,665</u>	<u>99,644</u>
Tax on profit on ordinary activities	<u>93,665</u>	<u>99,644</u>

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2012 £	2011 £
Profit on ordinary activities before tax	<u>382,556</u>	<u>371,542</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011 - 28%)	99,465	104,032
Effects of:		
Expenses not deductible for tax purposes	3,583	6,215
Capital allowances in excess of depreciation	(9,368)	-
Depreciation in excess of capital allowances	-	3,209
Adjustments to tax charge in respect of previous periods	992	(1,383)
Change of rate	(7,679)	(9,456)
	<u>86,993</u>	<u>102,617</u>
Current tax charge	<u>86,993</u>	<u>102,617</u>

**Beattie Communications Group Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2012**

**6. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Fixtures, fittings and equipment £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 August 2011	1,606,038	40,693	552,534	33,354	2,232,619
Additions	-	-	111,556	-	111,556
Disposals	-	-	(12,520)	-	(12,520)
At 31 July 2012	<u>1,606,038</u>	<u>40,693</u>	<u>651,570</u>	<u>33,354</u>	<u>2,331,655</u>
<b>DEPRECIATION</b>					
At 1 August 2011	80,301	20,528	428,206	12,028	541,063
Charge for year	16,061	2,016	37,346	5,331	60,754
Eliminated on disposal	-	-	(10,419)	-	(10,419)
At 31 July 2012	<u>96,362</u>	<u>22,544</u>	<u>455,133</u>	<u>17,359</u>	<u>591,398</u>
<b>NET BOOK VALUE</b>					
At 31 July 2012	<u>1,509,676</u>	<u>18,149</u>	<u>196,437</u>	<u>15,995</u>	<u>1,740,257</u>
At 31 July 2011	<u>1,525,737</u>	<u>20,165</u>	<u>124,328</u>	<u>21,326</u>	<u>1,691,556</u>

**7. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £	Interest in associate £	Totals £
<b>COST</b>			
At 1 August 2011 and 31 July 2012	<u>6</u>	<u>950</u>	<u>956</u>
<b>NET BOOK VALUE</b>			
At 31 July 2012	<u>6</u>	<u>950</u>	<u>956</u>
At 31 July 2011	<u>6</u>	<u>950</u>	<u>956</u>



**Beattie Communications Group Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2012**

**7. FIXED ASSET INVESTMENTS - continued**

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

**Subsidiaries**

**Beattie Communications Limited**

Nature of business: Dormant

	%		
Class of shares:	holding	2012	2011
Ordinary shares	100.00	£	£
Aggregate capital and reserves		2	2

**Beattie New Media Limited**

Nature of business: Dormant

	%		
Class of shares:	holding	2012	2011
Ordinary shares	100.00	£	£
Aggregate capital and reserves		2	2

**Beattie Media Limited**

Nature of business: Dormant

	%		
Class of shares:	holding	2012	2011
Ordinary shares	100.00	£	£
Aggregate capital and reserves		2	2

**Associated Companies**

**Eleventen Limited**

Nature of business: PR & marketing

	%		
Class of shares:	holding	2012	2011
Ordinary	50.00	£	£
Aggregate capital and reserves		108,212	75,056
Profit for the year		33,156	52,492

**Beattie Communications Group Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2012**

**7. FIXED ASSET INVESTMENTS - continued**

**Eleventen Direct Limited**

Nature of business: PR & marketing

Class of shares:	% holding	2012	2011
Ordinary	45.00	£	£
Aggregate capital and reserves		1,642	(21,643)
Profit/(loss) for the year		<u>23,285</u>	<u>(38,626)</u>

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

	2012	2011
	£	£
Trade debtors	1,179,051	1,241,923
Other debtors	13,675	9,398
Directors' loan accounts	30,000	-
Prepayments and accrued income	254,801	195,339
	<u>1,477,527</u>	<u>1,446,660</u>

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

	2012	2011
	£	£
Bank loans and overdrafts (see note 11)	53,556	53,556
Trade creditors	346,013	393,316
Tax	86,000	104,000
Social security and other taxes	70,225	70,665
VAT	200,922	210,789
Other creditors	8,200	6,400
Directors' loan accounts	17,994	29,571
Accruals and deferred income	672,098	791,576
	<u>1,455,008</u>	<u>1,659,873</u>

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2012	2011
	£	£
Bank loans (see note 11)	<u>596,875</u>	<u>683,461</u>

**Beattie Communications Group Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2012**

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**11. LOANS**

An analysis of the maturity of loans is given below:

	2012 £	2011 £
Amounts falling due within one year or on demand:		
Bank loans	<u>53,556</u>	<u>53,556</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>53,556</u>	<u>53,556</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>160,668</u>	<u>160,668</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>382,651</u>	<u>469,237</u>

**12. OPERATING LEASE COMMITMENTS**

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

	2012 £	Land and buildings 2011 £
Expiring:		
Within one year	<u>132,043</u>	<u>134,023</u>

**13. SECURED DEBTS**

The following secured debts are included within creditors:

	2012 £	2011 £
Bank loans	<u>650,431</u>	<u>737,017</u>

The bank loan is secured by a bond and floating charge over the assets of the company and a standard security over the property.

**Beattie Communications Group Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2012**

**14. PROVISIONS FOR LIABILITIES**

	2012 £	2011 £
Deferred tax	<u>28,710</u>	<u>22,038</u>
		Deferred tax £
Balance at 1 August 2011		22,038
Provided during year		<u>6,672</u>
Balance at 31 July 2012		<u>28,710</u>

Deferred tax is in respect of accelerated capital allowances.

**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2012 £	2011 £
8,000,600	Ordinary	£.01	80,006	80,006
1,000	B Ordinary	£.01	<u>10</u>	<u>10</u>
			<u>80,016</u>	<u>80,016</u>

The B ordinary shares have no voting rights. In the event of a sale, or winding up the holders participate pari- passu with the ordinary shareholders.

**16. RESERVES**

	Profit and loss account £
At 1 August 2011	1,062,864
Profit for the year	<u>288,891</u>
At 31 July 2012	<u>1,351,755</u>

## Beattie Communications Group Limited

### Notes to the Financial Statements - continued for the Year Ended 31 July 2012

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#### 17. RELATED PARTY DISCLOSURES

During the year the group paid for the following in relation to transactions connected with Gordon Beattie. All transactions were deemed to be at fair value.

The group leased property from Gordon Beattie during the year at a total cost of £117,504 (2011: £117,504)

The group leased property from the trustees of Gordon Beattie's personal pension scheme during the year at a total cost of £25,000 (2011: £25,000).

At 31 July 2012 a balance of £17,994 (2011: £29,571) was due to Gordon Beattie.

At 31 July 2012 a balance of £30,000 (2011: £Nil) was due from Laurna Woods.

The group incurred consultancy fees during the year of £541,551 (2011: £574,964) from Eskis Holdings Limited, a company under the control of Gordon Beattie.

At 31 July 2012, an amount of £149,551 (2011: £191,700) was due to Eskis Holdings Limited.

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

	2012 £	2011 £
Profit for the financial year	288,891	271,898
<b>Net addition to shareholders' funds</b>	<b>288,891</b>	<b>271,898</b>
Opening shareholders' funds	1,142,880	870,982
<b>Closing shareholders' funds</b>	<b>1,431,771</b>	<b>1,142,880</b>

#### 19. EMI SCHEME

The company has set up an EMI scheme for certain employees and has granted share options. There are no valid share options in issue at present.

#### 20. CONTROL

The company is under the control of G Beattie a director of the company.