

Company Registration No 5467213 (England and Wales)

C K MORGAN LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013



C K MORGAN LIMITED

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C K MORGAN LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2013

The directors present their report and financial statements for the year ended 30 June 2013

Principal activities and review of the business

The principal activity of the company was that of wholesalers of fashionware and branded concessions in high street stores

The results for the year and the financial position at the year end were not considered satisfactory by the directors who expect improved profitability in the current year

Investments of cash surpluses, borrowings and derivative instruments 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 verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary

Shareholders funds increased from £6,750,129 to £6,849,268. The increase comprised wholly of trading profits

The company has used the following indicators of performance to assess its development against its financial objectives during the year ended 30th June 2013

Change in revenue: This increased 10% from £24,627,165 to £27,147,013

Profitability: Profit before taxation fell from £1,867,532 to £121,796

Cash flow: Net funds decreased by £829,318 during the year

Results and dividends

The results for the year are set out on page 0

The directors do not recommend payment of an ordinary dividend

Future developments

The company anticipates continued growth in turnover during the current year and to continue to trade profitably

Directors

The following directors have held office since 1 July 2012

Karan Uppal
Narankar Uppal

Charitable donations	2013 £	2012 £
During the year the company made the following payments		
Charitable donations	112,631	52,867

C K MORGAN LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

Auditors

Jackson Feldman & Co are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006

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 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 of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Deepal Purohit
Secretary

6 November 2013

C K MORGAN LIMITED

INDEPENDENT AUDITORS' REPORT TO C K MORGAN LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 13, together with the financial statements of C K MORGAN LIMITED for the year ended 30 June 2013 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

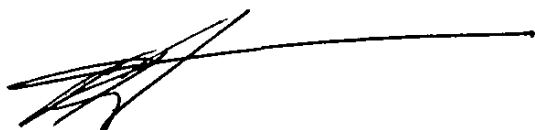
Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Mr Michael Feldman FCCA (Senior Statutory Auditor)
for and on behalf of Jackson Feldman & Co

6 November 2013

Chartered Accountants
Statutory Auditor

Alexander House
3 Shakespeare Road
London N3 1XE

C K MORGAN LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 £	2012 £
Turnover		27,147,013	24,627,165
Other operating income less cost of sales		(23,180,951)	(19,852,512)
Administrative expenses		(3,846,254)	(2,909,063)
Operating profit	2	119,808	1,865,590
Other interest receivable and similar income		2,760	1,942
Interest payable and similar charges	4	(772)	-
Profit on ordinary activities before taxation		121,796	1,867,532
Tax on profit on ordinary activities	5	(22,657)	(476,278)
Profit for the year	12	99,139	1,391,254

The profit and loss account has been prepared on the basis that all operations are continuing operations

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

C K MORGAN LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30 JUNE 2013

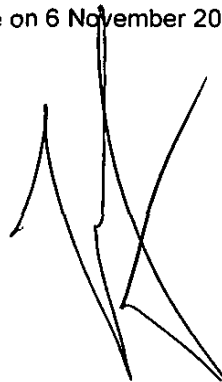
	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	6		452,591		250,236
Current assets					
Stocks	7	7,066,975		4,357,540	
Debtors	8	5,851,068		4,486,442	
Cash at bank and in hand		1,122,069		1,951,387	
		14,040,112		10,795,369	
Creditors' amounts falling due within one year	9	(7,616,359)		(4,277,461)	
Net current assets			6,423,753		6,517,908
Total assets less current liabilities			6,876,344		6,768,144
Provisions for liabilities	10		(27,076)		(18,015)
			6,849,268		6,750,129
Capital and reserves					
Called up share capital	11		1		1
Profit and loss account	12		6,849,267		6,750,128
Shareholders' funds	13		6,849,268		6,750,129

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 6 November 2013

Karan Uppal
Director

Company Registration No 5467213



C K MORGAN LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2013

	£	2013 £	£	2012 £
Net cash (outflow)/inflow from operating activities		(33,727)		643,090
Returns on investments and servicing of finance				
Interest received	2,760		1,942	
Interest paid	(772)		-	
Net cash inflow for returns on investments and servicing of finance		1,988		1,942
Taxation		(452,816)		(574,591)
Capital expenditure				
Payments to acquire tangible assets	(344,763)		(9,254)	
Net cash outflow for capital expenditure		(344,763)		(9,254)
Net cash (outflow)/inflow before management of liquid resources and financing		(829,318)		61,187
(Decrease)/increase in cash in the year		(829,318)		61,187

C K MORGAN LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2013

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2013	2012
		£	£
	Operating profit	119,808	1,865,590
	Depreciation of tangible assets	142,408	74,591
	Increase in stocks	(2,709,435)	(1,913,794)
	(Increase)/decrease in debtors	(1,198,222)	1,505,960
	Increase/(decrease) in creditors within one year	3,611,714	(889,257)
	Net cash (outflow)/inflow from operating activities	(33,727)	643,090

2	Analysis of net funds	1 July 2012	Cash flow	Other non-cash changes	30 June 2013
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,951,387	(829,318)	-	1,122,069
	Bank deposits	-	-	-	-
	Net funds	1,951,387	(829,318)	-	1,122,069

3	Reconciliation of net cash flow to movement in net funds	2013	2012
		£	£
	(Decrease)/increase in cash in the year	(829,318)	61,187
	Movement in net funds in the year	(829,318)	61,187
	Opening net funds	1,951,387	1,890,200
	Closing net funds	1,122,069	1,951,387

C K MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

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

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Leasehold	10% per annum straight line
Fixtures, fittings & equipment	20% per annum straight line
Motor vehicles	25% per annum straight line

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6 Stock

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

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

2 Operating profit

	2013	2012
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	142,408	74,591
Loss on foreign exchange transactions	315,025	22,982
Operating lease rentals	371,481	373,259
Auditors' remuneration (including expenses and benefits in kind)	26,800	26,800

C K MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

3	Investment income	2013	2012
		£	£
	Bank interest	2,760	1,942
		<u>2,760</u>	<u>1,942</u>
4	Interest payable	2013	2012
		£	£
	On overdue tax	772	-
		<u>772</u>	<u>-</u>
5	Taxation	2013	2012
		£	£
	Domestic current year tax		
	U K corporation tax	13,596	485,585
	Total current tax	<u>13,596</u>	<u>485,585</u>
	Deferred tax		
	Effects of changes in tax rates and laws	(3,002)	(2,102)
	Deferred tax charge/credit current year	12,063	(7,205)
		<u>9,061</u>	<u>(9,307)</u>
		<u>22,657</u>	<u>476,278</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	121,796	1,867,532
		<u>121,796</u>	<u>1,867,532</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2012 - 25.50%)	24,359	476,221
		<u>24,359</u>	<u>476,221</u>
	Effects of		
	Depreciation add back	28,481	19,127
	Capital allowances	(39,244)	(9,763)
		<u>(10,763)</u>	<u>9,364</u>
	Current tax charge for the year	<u>13,596</u>	<u>485,585</u>

C K MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2013

6 Tangible fixed assets

	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 July 2012	65,000	417,141	37,912	520,053
Additions	-	344,763	-	344,763
At 30 June 2013	65,000	761,904	37,912	864,816
Depreciation				
At 1 July 2012	13,000	218,905	37,912	269,817
Charge for the year	6,500	135,908	-	142,408
At 30 June 2013	19,500	354,813	37,912	412,225
Net book value				
At 30 June 2013	45,500	407,091	-	452,591
At 30 June 2012	52,000	198,236	-	250,236

7 Stocks	2013 £	2012 £
Finished goods and goods for resale	7,066,975	4,357,540

8 Debtors	2013 £	2012 £
Trade debtors	4,781,968	4,245,934
Corporation tax	166,404	-
Other debtors	760,464	104,195
Prepayments and accrued income	142,232	136,313
	5,851,068	4,486,442

C K MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

9 Creditors' amounts falling due within one year	2013 £	2012 £
Trade creditors	6,461,879	3,706,323
Corporation tax	-	272,816
Other taxes and social security costs	26,015	63,658
Directors' current accounts	-	23,339
Other creditors	39,992	25,475
Accruals and deferred income	1,088,473	185,850
	<u>7,616,359</u>	<u>4,277,461</u>

10 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2012	18,015
Profit and loss account	9,061
	<u>27,076</u>
Balance at 30 June 2013	<u>27,076</u>

The deferred tax liability is made up as follows

	2013 £	2012 £
Accelerated capital allowances	<u>27,076</u>	<u>18,015</u>

11 Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
1 Ordinary of £1 each	<u>1</u>	<u>1</u>

C K MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2012	6,750,128
Profit for the year	99,139
Balance at 30 June 2013	<u>6,849,267</u>

13 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	99,139	1,391,254
Opening shareholders' funds	<u>6,750,129</u>	<u>5,358,875</u>
Closing shareholders' funds	<u>6,849,268</u>	<u>6,750,129</u>

14 Financial commitments

At 30 June 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2014

	Land and buildings	
	2013 £	2012 £
Operating leases which expire in over five years	<u>372,147</u>	<u>372,254</u>

C K MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

15 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2013 Number	2012 Number
Administration	64	62
Directors	2	1
	<u>66</u>	<u>63</u>

Employment costs

	2013 £	2012 £
Wages and salaries	1,074,814	941,599
Social security costs	87,586	72,508
	<u>1,162,400</u>	<u>1,014,107</u>

16 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements

17 Ultimate parent company

The ultimate controlling party is Mr K S Uppal who owns the whole of the company's share capital

18 Related party relationships and transactions

Other transactions

Directors' current accounts referred to in note 10 are represented by an amount of £- (2012 £23,339) owed to Mr K S Uppal. It is unsecured and interest free with no fixed repayment period.