

Company Registration No. 5467213 (England and Wales)

CK MORGAN LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011

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CK MORGAN LIMITED

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CK MORGAN LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2011

The directors present their report and financial statements for the year ended 30 June 2011

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 considered satisfactory by the directors who expect continued growth in the foreseeable future but does expect reduced margins because of changes to the sales mix from wholesale to concessions

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 £3,076,537 to £5,358,875 The increase comprised wholly of retained profits

The company has used the following indicators of performance to assess its development against its financial objectives during the year ended 30th June 2011

Change in revenue This grew 53% from £17,107,177 to £26,247,009

Profitability Profit before taxation reduced from £3,551,678 to £3,150,969

Cash flow Net funds reduced by £741,494 during the year compared with an increase of £1,724,259 in the prior year

Results and dividends

The results for the year are set out on page 4.

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 2010

Karan Uppal
Narankar Uppal

Charitable donations	2011 £	2010 £
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During the year the company made the following payments

Charitable donations	51,000	-
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CK MORGAN LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

Charitable donations - The recipients, amounts and purpose of the charitable donations are as follows
London Sikh Centre, Ealing £51,000 for the advancement of religion

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

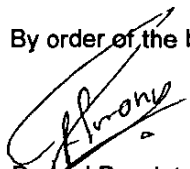
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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



Despal Purohit
Secretary
22 August 2011

CK MORGAN LIMITED

INDEPENDENT AUDITORS' REPORT TO CK 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 CK MORGAN LIMITED for the year ended 30 June 2011 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.

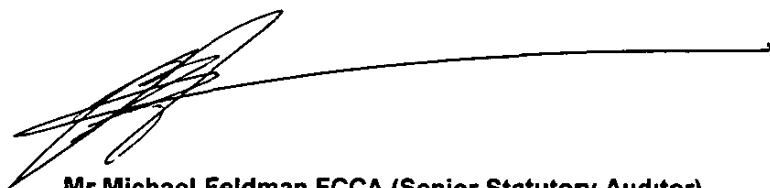
Respective responsibilities of directors and auditors

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

22 August 2011

Chartered Accountants
Statutory Auditor

Alexander House
3 Shakespeare Road
London N3 1XE

CK MORGAN LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 £	2010 £
Turnover		26,247,009	17,107,177
Other operating income less cost of sales		(20,507,406)	(12,432,935)
Administrative expenses		(2,583,615)	(1,122,861)
Operating profit	2	3,155,988	3,551,381
Other interest receivable and similar income		1,737	297
Interest payable and similar charges	4	(6,756)	-
Profit on ordinary activities before taxation		3,150,969	3,551,678
Tax on profit on ordinary activities	5	(868,451)	(985,958)
Profit for the year	12	2,282,518	2,565,720

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

CK MORGAN LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30 JUNE 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	6	315,573		145,360	
Current assets					
Stocks	7	2,443,746		1,015,847	
Debtors	8	5,992,402		5,095,983	
Cash at bank and in hand		1,890,200		2,631,694	
		<u>10,326,348</u>		<u>8,743,524</u>	
Creditors: amounts falling due within one year	9	<u>(5,255,724)</u>		<u>(5,802,581)</u>	
Net current assets		5,070,624		2,940,943	
Total assets less current liabilities		5,386,197		3,086,303	
Provisions for liabilities	10	<u>(27,322)</u>		<u>(9,946)</u>	
		<u>5,358,875</u>		<u>3,076,357</u>	
Capital and reserves					
Called up share capital	11	1		1	
Profit and loss account	12	5,358,874		3,076,356	
Shareholders' funds	13	<u>5,358,875</u>		<u>3,076,357</u>	

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 22 August 2011

Karan Uppal
Director

Company Registration No. 5467213

CK MORGAN LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	£	2011 £	£	2010 £
Net cash inflow from operating activities		972,025		2,013,226
Returns on investments and servicing of finance				
Interest received	1,737		297	
Interest paid	(6,756)		-	
Net cash (outflow)/inflow for returns on investments and servicing of finance		(5,019)		297
Taxation		(1,465,265)		(146,594)
Capital expenditure				
Payments to acquire tangible assets	(243,235)		(142,670)	
Net cash outflow for capital expenditure		(243,235)		(142,670)
Net cash (outflow)/inflow before management of liquid resources and financing		(741,494)		1,724,259
(Decrease)/increase in cash in the year		(741,494)		1,724,259

CK MORGAN LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

1	Reconciliation of operating profit to net cash inflow from operating activities	2011		2010	
		£		£	
	Operating profit	3,155,988		3,551,381	
	Depreciation of tangible assets	73,022		15,463	
	Increase in stocks	(1,427,899)		(433,002)	
	Increase in debtors	(896,419)		(3,913,640)	
	Increase in creditors within one year	67,333		2,793,024	
	Net cash inflow from operating activities	972,025		2,013,226	
2	Analysis of net funds	1 July 2010	Cash flow	Other non-cash changes	30 June 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	2,631,694	(741,494)	-	1,890,200
	Bank deposits	-	-	-	-
	Net funds	2,631,694	(741,494)	-	1,890,200
3	Reconciliation of net cash flow to movement in net funds	2011		2010	
		£		£	
	(Decrease)/increase in cash in the year	(741,494)		1,724,259	
	Movement in net funds in the year	(741,494)		1,724,259	
	Opening net funds	2,631,694		907,435	
	Closing net funds	1,890,200		2,631,694	

CK MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2011

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

	2011 £	2010 £
Operating profit is stated after charging		
Depreciation of tangible assets	73,022	15,463
Operating lease rentals	463,285	233,505
Auditors' remuneration (including expenses and benefits in kind)	26,800	24,800
and after crediting		
Profit on foreign exchange transactions	(206,689)	(128,102)

CK MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

3	Investment income	2011	2010
		£	£
	Bank interest	1,737	297
		<u>1,737</u>	<u>297</u>
4	Interest payable	2011	2010
		£	£
	On overdue tax	6,756	-
		<u>6,756</u>	<u>-</u>
5	Taxation	2011	2010
		£	£
	Domestic current year tax		
	U K corporation tax	851,075	976,012
	Total current tax	<u>851,075</u>	<u>976,012</u>
	Deferred tax		
	Deferred tax charge/credit current year	17,376	9,946
		<u>17,376</u>	<u>9,946</u>
		<u>868,451</u>	<u>985,958</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	3,150,969	3,551,678
		<u>3,150,969</u>	<u>3,551,678</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 27.50% (2010 - 28.00%)	866,516	994,470
		<u>866,516</u>	<u>994,470</u>
	Effects of		
	Non deductible expenses	1,853	-
	Depreciation add back	20,026	4,330
	Capital allowances	(37,320)	(22,788)
		<u>(15,441)</u>	<u>(18,458)</u>
	Current tax charge for the year	<u>851,075</u>	<u>976,012</u>

CK MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

6 Tangible fixed assets

	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 July 2010	23,500	206,152	37,912	267,564
Additions	41,500	201,735	-	243,235
At 30 June 2011	65,000	407,887	37,912	510,799
Depreciation				
At 1 July 2010	-	84,292	37,912	122,204
Charge for the year	6,500	66,522	-	73,022
At 30 June 2011	6,500	150,814	37,912	195,226
Net book value				
At 30 June 2011	58,500	257,073	-	315,573
At 30 June 2010	23,500	121,860	-	145,360

7 Stocks

	2011 £	2010 £
Finished goods and goods for resale	2,443,746	1,015,847

8 Debtors

	2011 £	2010 £
Trade debtors	5,848,170	4,961,916
Prepayments and accrued income	144,232	134,067
	5,992,402	5,095,983

CK MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

9	Creditors: amounts falling due within one year	2011 £	2010 £
	Trade creditors	4,160,156	4,246,791
	Corporation tax	361,822	976,012
	Other taxes and social security costs	233,848	226,320
	Directors' current accounts	59,292	10,932
	Other creditors	9,546	6,669
	Accruals and deferred income	431,060	335,857
		<u>5,255,724</u>	<u>5,802,581</u>

10 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2010	9,946
Profit and loss account	17,376
	<u>27,322</u>
Balance at 30 June 2011	<u>27,322</u>

The deferred tax liability is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	<u>27,322</u>	<u>9,946</u>

11 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
1 Ordinary of £1 each	<u>1</u>	<u>1</u>

CK MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2010	3,076,356
Profit for the year	2,282,518
Balance at 30 June 2011	<u>5,358,874</u>

13 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	2,282,518	2,565,720
Opening shareholders' funds	<u>3,076,357</u>	<u>510,637</u>
Closing shareholders' funds	<u>5,358,875</u>	<u>3,076,357</u>

14 Financial commitments

At 30 June 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2012

	Land and buildings	
	2011 £	2010 £
Operating leases which expire		
Within one year	325,000	216,667
In over five years	<u>46,667</u>	<u>-</u>
	<u>371,667</u>	<u>216,667</u>

15 Capital commitments

	2011 £	2010 £
At 30 June 2011 the company had capital commitments as follows		
Contracted for but not provided in the financial statements	<u>-</u>	<u>189,021</u>

CK MORGAN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

16 Directors' remuneration	2011	2010
	£	£
Remuneration for qualifying services	26,788	38,668

17 Employees

Number of employees

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

	2011	2010
	Number	Number
Administration	34	13
Directors	1	1
	<u>35</u>	<u>14</u>

Employment costs	2011	2010
	£	£
Wages and salaries	792,890	551,832
Social security costs	53,982	4,217
	<u>846,872</u>	<u>556,049</u>

18 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

19 Ultimate parent company

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

20 Related party relationships and transactions

Other transactions

Included in other creditors is a director's loan account of £59,242 (2010 £10,932) owed to Mr K S Uppal. It is unsecured and interest free with no fixed repayment period