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REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2013
FOR
FUTURE GARMENTS LIMITED

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FUTURE GARMENTS LIMITED

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FOR THE YEAR ENDED 31 MAY 2013

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FUTURE GARMENTS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2013

DIRECTORS

K S Palak
H S Palak

SECRETARY

Mr K S Palak

REGISTERED OFFICE

Aqua House, Buttress Way
Smethwick
Warley
West Midlands
B66 3DL

REGISTERED NUMBER:

02690536 (England and Wales)

AUDITORS.

Thapers Chartered Accountants
Harpal House
14 Holyhead Road
Handsworth
Birmingham
West Midlands
B21 0LT

FUTURE GARMENTS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2013

The directors present their report with the financial statements of the company for the year ended 31 May 2013

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of wholesale of industrial work garments and associated products

REVIEW OF BUSINESS

The directors have pleasure in presenting their report and the financial statements of the company Future Garments Limited, registration number 02690536 (England and Wales) for the year ended 31 May 2013

The business review sets the performance for the year ended 31 May 2013 and of future developments

The Companies Act requires the company to set out in this annual report a fair review of the business of the company during the year ended 31 May 2013, including an analysis of the position of the company at the end of the period and an analysis of the company's performance

This has been another good year for the company. In a difficult consumer environment, increasing numbers of customers have recognised the great value and quality of our offer, and we have again delivered profits. We have ambitious plans to take the company's offer to more customers through our accelerating new range of products and through the development of new channels.

We are pleased to report another year of strong progress for the company. Sales growth of over 11% from last year was ahead of the market, confirming that our offer remains in tune with the needs of our customers, whilst our solid profit growth is evidence that we continue to thrive in a challenging economic environment.

By taking good care as we undertake our business in the present we will ensure the long term sustainability of our business in the future. At the heart of our operation we consider carefully how we interact with the world around us, work hard to minimise our impact and strive to make a positive contribution, taking on board the views of all of our key stakeholders. Corporate Responsibility is a specific business discipline that takes a proactive approach to forward thinking management. It recognises that business decisions have to take into account social and environmental factors alongside economic ones. We care about where our garments and material comes from, how it is produced, the people who make it and how it is moved & sold.

We are an equal opportunities employer, committed to giving fair and equal treatment to all employees and job applicants in terms of recruitment, pay conditions, promotions, training and all employment matters regardless of their race, sex, ethnic background or religious beliefs, sexual orientation or disabilities. An equal opportunities policy is in force which aims to ensure that all employees are selected, trained, compensated, promoted and transferred solely on the strength of their ability, skills, qualifications and merit. We also believe that all employees have a right to work in an environment free from discrimination and bullying.

DIVIDENDS

No dividends will be distributed for the year ended 31 May 2013

DIRECTORS

The directors' who also served the parent company, had the following interests in the parent company Aqua Holdings Limited

	£1 Ordinary Shares	£1 Ordinary Shares
	31/5/13	31/5/13
Mr K S Palak	6,250	6,250
Mr H S Palak	6,250	6,250

FUTURE GARMENTS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2013

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.

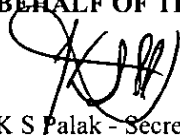
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Thapers Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr K S Palak - Secretary

27 February 2014

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FUTURE GARMENTS LIMITED**

We have audited the financial statements of Future Garments Limited for the year ended 31 May 2013 on pages five to sixteen. 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 May 2013 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.

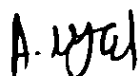
Opinion on other matter prescribed by the Companies Act 2006

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.

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.



Andeep Kumar Mangal A C A (Senior Statutory Auditor)
for and on behalf of Thapers Chartered Accountants
Harpal House
14 Holyhead Road
Handsworth
Birmingham
West Midlands
B21 0LT

27 February 2014

FUTURE GARMENTS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2013

	Notes	31/5/13 £	31/5/12 £
TURNOVER		7,071,649	6,359,651
Cost of sales		<u>4,909,440</u>	<u>4,261,289</u>
GROSS PROFIT		2,162,209	2,098,362
Administrative expenses		<u>1,826,767</u>	<u>1,604,322</u>
		335,442	494,040
Other operating income		<u>135,828</u>	<u>92,823</u>
OPERATING PROFIT	3	471,270	586,863
Interest receivable and similar income		<u>337</u>	<u>1,662</u>
		471,607	588,525
Interest payable and similar charges	4	<u>14,943</u>	<u>22,991</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		456,664	565,534
Tax on profit on ordinary activities	5	<u>108,294</u>	<u>130,028</u>
PROFIT FOR THE FINANCIAL YEAR		<u>348,370</u>	<u>435 506</u>

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

FUTURE GARMENTS LIMITED (REGISTERED NUMBER: 02690536)

BALANCE SHEET
31 MAY 2013

	Notes	31/5/13 £	31/5/12 £
FIXED ASSETS			
Tangible assets	6	1,369,987	1,384,782
CURRENT ASSETS			
Stocks	7	1,779,273	1,558,383
Debtors	8	2,764,384	2,422,404
Cash at bank and in hand		<u>481,328</u>	<u>1,144,465</u>
		5,024,985	5,125,252
CREDITORS			
Amounts falling due within one year	9	<u>2,290,838</u>	<u>2,645,640</u>
NET CURRENT ASSETS		<u>2,734,147</u>	<u>2,479,612</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,104,134	3,864,394
CREDITORS			
Amounts falling due after more than one year	10	(579,535)	(690,000)
PROVISIONS FOR LIABILITIES	14	<u>(1,835)</u>	-
NET ASSETS		<u>3,522,764</u>	<u>3,174,394</u>
CAPITAL AND RESERVES			
Called up share capital	15	12,500	12,500
Profit and loss account	16	<u>3,510,264</u>	<u>3,161,894</u>
SHAREHOLDERS' FUNDS	19	<u>3,522,764</u>	<u>3,174,394</u>

The financial statements were approved by the Board of Directors on 27 February 2014 and were signed on its behalf by



K S Palak - Director

The notes form part of these financial statements

FUTURE GARMENTS LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2013

	Notes	31/5/13 £	31/5/12 £
Net cash (outflow)/inflow from operating activities	1	(758,025)	127,066
Returns on investments and servicing of finance	2	(14,606)	(21,329)
Taxation		14,857	(42,731)
Capital expenditure	2	<u>(33,869)</u>	<u>(44,945)</u>
		(791,643)	18,061
Financing	2	<u>128,268</u>	<u>(478,150)</u>
Decrease in cash in the period		<u>(663,375)</u>	<u>(460,089)</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Decrease in cash in the period		(663,375)	(460,089)
Cash outflow from decrease in debt and lease financing		<u>1,123</u>	<u>309,345</u>
Change in net funds resulting from cash flows		<u>(662,252)</u>	<u>(150,744)</u>
Movement in net funds in the period		(662,252)	(150,744)
Net funds at 1 June		<u>503,810</u>	<u>654,554</u>
Net (debt)/funds at 31 May		<u>(158,442)</u>	<u>503,810</u>

The notes form part of these financial statements

FUTURE GARMENTS LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2013

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	31/5/13	31/5/12
	£	£
Operating profit	471,270	586,863
Depreciation charges	58,814	58,997
Profit on disposal of fixed assets	(149)	(13,590)
Increase in stocks	(220,890)	(133,585)
Increase in debtors	(456,130)	(922,165)
(Decrease)/increase in creditors	<u>(610,940)</u>	<u>550,546</u>
Net cash (outflow)/inflow from operating activities	<u>(758,025)</u>	<u>127,066</u>

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

	31/5/13	31/5/12
	£	£
Returns on investments and servicing of finance		
Interest received	337	1,662
Interest paid	(14,768)	(22,176)
Interest element of hire purchase payments	<u>(175)</u>	<u>(815)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(14,606)</u>	<u>(21,329)</u>
 Capital expenditure		
Purchase of tangible fixed assets	(34,019)	(58,535)
Sale of tangible fixed assets	<u>150</u>	<u>13,590</u>
Net cash outflow for capital expenditure	<u>(33,869)</u>	<u>(44,945)</u>
 Financing		
Loan repayments in year	(60,000)	(260,000)
Non cash adjusting items	<u>188,268</u>	<u>(218 150)</u>
Net cash inflow/(outflow) from financing	<u>128,268</u>	<u>(478,150)</u>

The notes form part of these financial statements

FUTURE GARMENTS LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2013

3 ANALYSIS OF CHANGES IN NET FUNDS

		At 1 6.12 £	Cash flow £	At 31 5.13 £
Net cash				
Cash at bank and in hand	1,144,465	(663,137)	-	481,328
Bank overdraft	<u>-</u>	<u>(238)</u>	<u>-</u>	<u>(238)</u>
	<u>1,144,465</u>	<u>(663,375)</u>	<u>-</u>	<u>481,090</u>
Debt				
Hire purchase	-	(9,532)	(23,407)	(32,939)
Debts falling due within one year	49,345	(109,345)	-	(60,000)
Debts falling due after one year	<u>(690,000)</u>	<u>120,000</u>	<u>-</u>	<u>(570,000)</u>
	<u>(640,655)</u>	<u>1,123</u>	<u>(23,407)</u>	<u>(662,939)</u>
Total	<u>503,810</u>	<u>(662,252)</u>	<u>(23,407)</u>	<u>(181,849)</u>

The notes form part of these financial statements

FUTURE GARMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2013

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods, 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

Improvements to property	- 2% on reducing balance
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

All fixed assets are initially recorded at cost

Stocks

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

Cost is defined in relation to the expenditure incurred in the normal course of business in bringing the product to its present location and condition. The expenditure includes in addition to costs of purchase, such costs of conversion appropriate to the products location and condition

Deferred tax

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception

Deferred tax assets are recognized only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

Hire purchase agreements

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

FUTURE GARMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2013

1 ACCOUNTING POLICIES - continued

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

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.

Fixed asset investments

All fixed asset investments are initially recorded at cost.

2 STAFF COSTS

	31/5/13	31/5/12
	£	£
Wages and salaries	823,979	757,994
Social security costs	<u>54,315</u>	<u>51,734</u>
	<u>878,294</u>	<u>809,728</u>

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

	31/5/13	31/5/12
Accounts	7	7
Sales & Marketing	20	20
Warehouse	22	22
Purchasing	6	6
Management	<u>2</u>	<u>2</u>
	<u>57</u>	<u>57</u>

3 OPERATING PROFIT

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

	31/5/13	31/5/12
	£	£
Hire of plant and machinery	1,125	479
Depreciation - owned assets	66,078	61,996
Profit on disposal of fixed assets	(149)	(13,590)
Auditors' remuneration	<u>12,000</u>	<u>5,504</u>
	<u>1,680</u>	<u>14,702</u>
Directors' remuneration	<u>1,680</u>	<u>14,702</u>
Depreciation of assets held under hire purchase agreements	7,975	3,975
Net loss/(profit) on foreign currency translation	71,795	39,030

FUTURE GARMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2013

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31/5/13	31/5/12
	£	£
Bank interest	-	22,176
Bank loan interest	14,768	-
Hire purchase	175	-
Leasing	-	815
	<u>14,943</u>	<u>22,991</u>

5 TAXATION

Analysis of the tax charge

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

	31/5/13	31/5/12
	£	£
Current tax		
UK corporation tax	<u>108,294</u>	<u>130,028</u>
Tax on profit on ordinary activities	<u>108,294</u>	<u>130,028</u>

UK corporation tax has been charged at 23% (2012 - 24%)

6 TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 June 2012	1,380,187	46,866	306,091
Additions	-	20,655	4,043
Disposals	-	-	(3,797)
At 31 May 2013	<u>1,380,187</u>	<u>67,521</u>	<u>306,337</u>
DEPRECIATION			
At 1 June 2012	111,354	4,776	262,028
Charge for year	26,667	2,287	13,190
Eliminated on disposal	-	-	(5,062)
At 31 May 2013	<u>138,021</u>	<u>7,063</u>	<u>270,156</u>
NET BOOK VALUE			
At 31 May 2013	<u>1,242,166</u>	<u>60,458</u>	<u>36,181</u>
At 31 May 2012	<u>1,268,833</u>	<u>42,090</u>	<u>44,063</u>

FUTURE GARMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2013

6 TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 June 2012	68,553	97,320	1,899,017
Additions	9,321	16,000	50,019
Disposals	<u>-</u>	<u>(13,026)</u>	<u>(16,823)</u>
At 31 May 2013	<u>77,874</u>	<u>100,294</u>	<u>1,932,213</u>
DEPRECIATION			
At 1 June 2012	62,993	73,084	514,235
Charge for year	9,134	14,800	66,078
Eliminated on disposal	<u>-</u>	<u>(13,025)</u>	<u>(18,087)</u>
At 31 May 2013	<u>72,127</u>	<u>74,859</u>	<u>562,226</u>
NET BOOK VALUE			
At 31 May 2013	<u>5,747</u>	<u>25,435</u>	<u>1,369,987</u>
At 31 May 2012	<u>5,560</u>	<u>24,236</u>	<u>1,384,782</u>

Fixed assets with a net book value of £30 550 are on hire purchase

7 STOCKS

	31/5/13 £	31/5/12 £
Stocks	<u>1,779,273</u>	<u>1,558,383</u>

8 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/5/13 £	31/5/12 £
Trade debtors	1,689,837	1 408,203
Other debtors	1,074,547	901,886
Deferred Taxation(See below)	-	(1,835)
Directors' current accounts	<u>-</u>	<u>114,150</u>
	<u>2,764,384</u>	<u>2,422,404</u>

FUTURE GARMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2013

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/5/13	31/5/12
	£	£
Bank loans and overdrafts (see note 11)	60,238	-
Other loans (see note 11)	-	(49,345)
Hire purchase contracts (see note 12)	23,404	-
Trade creditors	801,905	1,458,777
Corporation tax payable	253,179	130,028
Social security and other taxes	19,095	21,350
VAT	81,494	58,407
Other creditors	<u>1,051,523</u>	<u>1,026,423</u>
	<u>2,290,838</u>	<u>2,645,640</u>

10 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/5/13	31/5/12
	£	£
Bank loans (see note 11)	570,000	690,000
Hire purchase contracts (see note 12)	<u>9,535</u>	<u>-</u>
	<u>579,535</u>	<u>690,000</u>

11 LOANS

An analysis of the maturity of loans is given below

	31/5/13	31/5/12
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	238	-
Bank loans	60,000	-
Other loans	<u>-</u>	<u>(49,345)</u>
	<u>60,238</u>	<u>(49,345)</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>60,000</u>	<u>-</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>510,000</u>	<u>690,000</u>

12 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	31/5/13	31/5/12
	£	£
Net obligations repayable		
Within one year	23,404	-
Between one and five years	<u>9,535</u>	<u>-</u>
	<u>32,939</u>	<u>-</u>

FUTURE GARMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2013

13 SECURED DEBTS

The following secured debts are included within creditors

	31/5/13	31/5/12
	£	£
Bank loans	630,000	690,000
Hire purchase contracts	<u>32,939</u>	<u>-</u>
	<u>662,939</u>	<u>690,000</u>

A Debenture dated 16 May 2007 incorporating, inter alia, a fixed floating charge over all the assets and undertaking of the company both present and future

The bank loan of £690,000 is secured by a legal charge dated 10 October 2008 over Land on the west side of Garretts Green Lane, Garretts Green, Birmingham The land is included within Freehold Property

The maturity date of the £690,000 bank loan facility is 10 October 2023

14 PROVISIONS FOR LIABILITIES

	31/5/13	31/5/12
	£	£
Deferred tax	<u>1,835</u>	<u>-</u>

	Deferred tax
	£
Capital allowances	<u>1,835</u>
Balance at 31 May 2013	<u>1,835</u>

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			31/5/13	31/5/12
Number	Class	Nominal value	£	£
12,500	Ordinary Shares	1	<u>12,500</u>	<u>12,500</u>

16 RESERVES

	Profit and loss account
	£
At 1 June 2012	3,161,894
Profit for the year	<u>348,370</u>
At 31 May 2013	<u>3,510,264</u>

FUTURE GARMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2013

17 DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The balances due from/(to) the directors as at 31 May 2013 are set out below

	31/5/13	31/5/12
	£	£
K S Palak	2,995	-
H S Palak	<u>16,739</u>	<u>-</u>

The directors repaid the company the balances outstanding as at 31 May 2013 within nine months after the year end date

18 RELATED PARTY DISCLOSURES

The company undertook the following transactions with parties relating to it

	31/5/13	31/5/12
	£	£
Future Garments (India) PVT Ltd		
Sales to	NIL	NIL
Purchases from	NIL	NIL
Year end (creditor)/ debtor	<u>(226,919)</u>	<u>(263,919)</u>

Bianco (UK) Limited

Year end creditor	<u>(13,725)</u>	<u>(13,725)</u>
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Palak Estates

Loan Interest charged	-	-
Rent and Rates charged	(180,592)	(180,000)
Year end creditor	<u>125,941</u>	<u>(24,607)</u>

Future Garments (India) PVT Limited is 50% owned subsidiary of Future Garments Limited Bianco (UK) Limited is a 100% owned subsidiary of Aqua Holdings Limited

Palak Estates is a partnership owned by K S Palak and H S Palak At the year end the company is showing a debtor balance owed from Palak Estates as the invoice for the rent charged was entered in the next accounting year £180,592 was accrued for at the year end date as rent charges for the year

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31/5/13	31/5/12
	£	£
Profit for the financial year	<u>348,370</u>	<u>435,506</u>
Net addition to shareholders' funds	348,370	435,506
Opening shareholders' funds	<u>3,174,394</u>	<u>2,738,888</u>
Closing shareholders' funds	<u>3,522,764</u>	<u>3,174,394</u>

20 ULTIMATE CONTROLLING PARTY

The company was under the control of K S Palak and H S Palak by virtue of their shareholding in Aqua Holdings Limited, the ultimate parent company

21 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Aqua Holdings Limited