

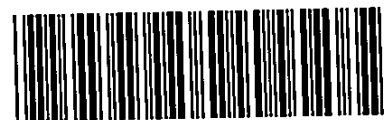
Registration number 00885485

John Sinclair (Sheffield) Limited

Directors' Report and Consolidated Financial Statements

for the Year Ended 30 June 2011

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Pegasus House, 463a Glossop Road, Sheffield S10 2QD Telephone (0114) 266 7141

John Sinclair (Sheffield) Limited
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The following pages do not form part of the statutory financial statements

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John Sinclair (Sheffield) Limited
Company Information

Directors	C J Sinclair J M Sinclair J C L Sparre
Company secretary	R E Dodd
Registered office	266 Glossop Road Sheffield S10 2HS
Bankers	Barclays Bank plc Ten Pound Walk Doncaster South Yorkshire DN4 5HX
Auditors	Hawsons Chartered Accountants Statutory Auditor Pegasus House 463a Glossop Road Sheffield S10 2QD

John Sinclair (Sheffield) Limited
Directors' Report for the Year Ended 30 June 2011

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

Directors of the company

The directors who held office during the year were as follows

C J Sinclair

J M Sinclair

J C L Sparre

Principal activity

The principal activity of the parent company, John Sinclair (Sheffield) Limited continues to be that of merchandising china, glassware and kitchenware, accessories and jewellery, including antiques and exclusive branded products

Other companies in the group continue to be engaged in the merchandising of high quality china and glass products and property development and investment (through Neaversons Limited) and also in deriving income and gains from property (through Aveley Limited)

Business review

Fair review of the business

At the balance sheet date, the net assets of the group totalled £6,351,053 (2010 - £6,078,687)

The group relies on its long standing relationships with key manufacturers and suppliers, its levels of service and the appeal of its presentation and store location for its survival and success. This inevitably exposes the business to some risk.

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for the reader of the accounts to gain an understanding of the development, performance or position of the business. General indicators are turnover and profitability which are closely monitored by the directors.

John Sinclair (Sheffield) Limited
Directors' Report for the Year Ended 30 June 2011

..... continued

Financial risk

The business' activities expose it primarily to the financial risks of changes in foreign currency, exchange rates and fluctuations in interest rates

The business' principal financial instruments comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the business' operations

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise loans from financial institutions and loans from directors. The interest rate and monthly repayments on the loans from financial institutions are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

Disclosure of information to the auditors

The directors of the company who held office at the date of the approval of this Annual Report as set out above each confirm that

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- 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 the company's auditors are aware of that information.

Reappointment of auditors

The auditors Hawsons Chartered Accountants are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 11/1/12 and signed on its behalf by



R E Dodd
Company secretary

John Sinclair (Sheffield) Limited

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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 John Sinclair (Sheffield) Limited

We have audited the financial statements of John Sinclair (Sheffield) Limited for the year ended 30 June 2011, set out on pages 7 to 28. 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 auditors

As explained more fully in the Statement of Directors' Responsibilities (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

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 group's and parent 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 Directors' Report 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 group's and of the parent company's affairs as at 30 June 2011 and of the group's 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.

**Independent Auditor's Report to the Members of
John Sinclair (Sheffield) Limited**

..... continued

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Christopher Hill (Senior Statutory Auditor)

For and on behalf of Hawsons Chartered Accountants, Statutory Auditor

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Date

John Sinclair (Sheffield) Limited
Consolidated Profit and Loss Account for the Year Ended 30 June 2011

	Note	2011 £	2010 £
Turnover	2	7,644,899	6,827,428
Cost of sales		<u>(6,089,439)</u>	<u>(5,191,347)</u>
Gross profit		1,555,460	1,636,081
Distribution costs		(9,317)	(5,520)
Administrative expenses		(1,483,293)	(1,637,268)
Other operating income		<u>462,302</u>	<u>378,785</u>
Group operating profit	4	525,152	372,078
Other exceptional items		(216,000)	-
Other interest receivable and similar income		37	99
Interest payable and similar charges	8	<u>(49,782)</u>	<u>(39,263)</u>
Profit on ordinary activities before taxation		259,407	332,914
Tax on profit on ordinary activities	9	<u>26,687</u>	<u>8,803</u>
Profit for the financial year attributable to members of the parent company	19	<u><u>286,094</u></u>	<u><u>341,717</u></u>

Turnover and operating profit derive wholly from continuing operations

The group has no recognised gains or losses for the year other than the results above

The profit on ordinary activities before taxation has been calculated on the historical cost basis

John Sinclair (Sheffield) Limited
(Registration number: 00885485)
Consolidated Balance Sheet at 30 June 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Intangible fixed assets	10		-		-
Tangible fixed assets	11		6,912,884		6,726,118
Current assets					
Stocks	13	2,250,029		2,807,542	
Debtors	14	900,618		668,012	
Cash at bank and in hand		274,126		13,424	
		3,424,773		3,488,978	
Creditors Amounts falling due within one year	15	(1,653,481)		(1,619,398)	
Net current assets			1,771,292		1,869,580
Total assets less current liabilities			8,684,176		8,595,698
Creditors Amounts falling due after more than one year	16		(2,333,123)		(2,512,611)
Provisions for liabilities			-		(4,400)
Net assets			6,351,053		6,078,687
Capital and reserves					
Called up share capital	17	320,000		320,000	
Profit and loss account	19	6,031,053		5,758,687	
Shareholders' funds	20		6,351,053		6,078,687

These financial statements were approved and authorised for issue by the Board on 17/1/12 and signed on its behalf by


C J Sinclair
Director

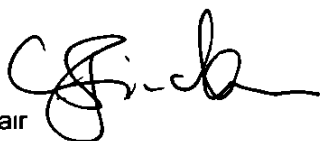
John Sinclair (Sheffield) Limited
(Registration number: 00885485)
Balance Sheet at 30 June 2011

	Note	2011 £	2010 £
Fixed assets			
Intangible fixed assets	10	-	-
Tangible fixed assets	11	1,646,300	1,700,656
Investments	12	<u>230,456</u>	<u>230,456</u>
		<u>1,876,756</u>	<u>1,931,112</u>
Current assets			
Stocks	13	518,209	494,542
Debtors	14	3,937,663	4,095,224
Cash at bank and in hand		<u>271,851</u>	<u>10,538</u>
		4,727,723	4,600,304
Creditors Amounts falling due within one year	15	<u>(1,772,216)</u>	<u>(1,575,905)</u>
Net current assets		<u>2,955,507</u>	<u>3,024,399</u>
Total assets less current liabilities		4,832,263	4,955,511
Creditors Amounts falling due after more than one year	16	<u>(63,279)</u>	<u>(117,244)</u>
Net assets		<u>4,768,984</u>	<u>4,838,267</u>
Capital and reserves			
Called up share capital	17	320,000	320,000
Profit and loss account	19	<u>4,448,984</u>	<u>4,518,267</u>
Shareholders' funds	20	<u>4,768,984</u>	<u>4,838,267</u>

These financial statements were approved and authorised for issue by the Board on
signed on its behalf by

17/1/12 and

C J Sinclair
Director



John Sinclair (Sheffield) Limited
Consolidated Cash Flow Statement for the Year Ended 30 June 2011

	Note	2011 £	2010 £
Net cash inflow/(outflow) from operating activities	23	<u>878,775</u>	<u>(906,774)</u>
Returns on investments and servicing of finance			
Interest received		37	99
Interest paid		<u>(49,782)</u>	<u>(39,263)</u>
		<u>(49,745)</u>	<u>(39,164)</u>
Tax received/(paid)		<u>14,287</u>	<u>(58,158)</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(652,343)	(862,610)
Sale of tangible fixed assets		<u>185,000</u>	<u>2,927</u>
		<u>(467,343)</u>	<u>(859,683)</u>
Equity dividends paid		<u>(13,728)</u>	<u>(10,175)</u>
Net cash inflow/(outflow) before management of liquid resources and financing		362,246	(1,873,954)
Financing			
Repayment of loans and borrowings		<u>(169,636)</u>	<u>1,539,167</u>
Increase/(decrease) in cash	24	<u><u>192,610</u></u>	<u><u>(334,787)</u></u>
Reconciliation of net cash flow to movement in net debt			
	Note	2011 £	2010 £
Increase/(decrease) in cash		192,610	(334,787)
Cash outflow from repayment of loans		<u>169,636</u>	<u>(1,539,167)</u>
Change in net debt resulting from cash flows	24	<u><u>362,246</u></u>	<u><u>(1,873,954)</u></u>
Movement in net debt	24	362,246	(1,873,954)
Net debt at 1 July	24	<u>(2,956,788)</u>	<u>(1,082,834)</u>
Net debt at 30 June	24	<u><u>(2,594,542)</u></u>	<u><u>(2,956,788)</u></u>

John Sinclair (Sheffield) Limited
Notes to the Financial Statements for the Year Ended 30 June 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 June 2011

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its loss for the financial year was £55,555 (2010 - £251,131 profit)

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	Straight line over 50 years
Leasehold properties	Straight line over the period of the lease
Plant and machinery	20% and 33 33% straight line
Fixtures and fittings	20% straight line
Motor vehicles	25% straight line
Assets under construction	Not depreciated

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

Investment properties

Certain of the group's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This treatment as regards the group's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The group operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Turnover

An analysis of turnover by geographical location is given below

	2011 £	2010 £
Sales - UK	3,970,327	3,664,705
Sales - Rest of the World	3,674,572	3,162,723
	<u>7,644,899</u>	<u>6,827,428</u>

An analysis of turnover by class of business is given below

	2011 £	2010 £
Retail sales	7,051,899	6,593,074
Property development	593,000	234,354
	<u>7,644,899</u>	<u>6,827,428</u>

3 Other operating income

	2011 £	2010 £
Rent receivable	415,883	344,851
Supplier contributions released	-	789
Service charges receivable	34,016	15,653
Other income	12,403	17,492
	<u>462,302</u>	<u>378,785</u>

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

4 Operating profit

Operating profit is stated after charging

	2011 £	2010 £
Operating leases - property rentals	110,000	110,000
Foreign currency losses/(gains)	6,363	(9,577)
Loss on sale of tangible fixed assets	2,500	5,259
Depreciation of owned assets	62,077	84,942
Auditor's remuneration	<u>10,400</u>	<u>10,400</u>

5 Exceptional items

	2011 £	2010 £
Exceptional impairment of fixed assets	<u>216,000</u>	<u>-</u>

6 Particulars of employees

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows

	2011 No.	2010 No.
Retail and office staff	50	62
Management	<u>3</u>	<u>3</u>
	<u>53</u>	<u>65</u>

The aggregate payroll costs were as follows

	2011 £	2010 £
Wages and salaries	615,922	743,537
Social security costs	45,236	49,503
Staff pensions	<u>14,746</u>	<u>15,273</u>
	<u>675,904</u>	<u>808,313</u>

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

7 Directors' remuneration

The directors' remuneration for the year was as follows

	2011 £	2010 £
Remuneration (including benefits in kind)	70,762	77,316
Company contributions paid to money purchase schemes	<u>6,200</u>	<u>5,600</u>
	<u>76,962</u>	<u>82,916</u>

During the year the number of directors who were accruing benefits under company pension schemes was as follows

	2011 No.	2010 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

8 Interest payable and similar charges

	2011 £	2010 £
Interest on bank borrowings	<u>49,782</u>	<u>39,263</u>

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

9 Taxation

Tax on profit on ordinary activities

	2011 £	2010 £
Current tax		
Adjustments in respect of previous years	(14,287)	346
Deferred tax		
Origination and reversal of timing differences	(12,400)	(9,149)
Total tax on profit on ordinary activities	<u>(26,687)</u>	<u>(8,803)</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 27.5% (2010 - 28%)

The differences are reconciled below

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>259,407</u>	<u>332,914</u>
Corporation tax at standard rate	71,337	93,216
Accelerated capital allowances	6,783	2,465
Non-taxable income	-	(221)
Expenses not deductible for tax purposes	292	2,447
Non-tax deductible impairment	59,400	-
Prior year adjustment	(14,287)	346
Losses carried forward	39,483	13,513
Capital expenditure relief	<u>(177,295)</u>	<u>(111,420)</u>
Total current tax	<u>(14,287)</u>	<u>346</u>

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

10 Intangible fixed assets

Group

	Goodwill £
Cost	
At 1 July 2010	107,174
At 30 June 2011	107,174
Amortisation	
At 1 July 2010	107,174
At 30 June 2011	107,174
Net book value	
At 30 June 2011	-
At 30 June 2010	-

Company

	Goodwill £
Cost	
At 1 July 2010	10,231
At 30 June 2011	10,231
Amortisation	
At 1 July 2010	10,231
At 30 June 2011	10,231
Net book value	
At 30 June 2011	-
At 30 June 2010	-

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

11 Tangible fixed assets

Group	Freehold land and buildings £	Freehold investment properties £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Assets under construction £	Total £
Cost or valuation							
At 1 July 2010	1,925,578	4,367,911	136,445	537,068	40,547	657,405	7,664,954
Additions	-	-	4,611	3,024	-	644,708	652,343
Disposals	-	(187,500)	-	-	-	-	(187,500)
At 30 June 2011	<u>1,925,578</u>	<u>4,180,411</u>	<u>141,056</u>	<u>540,092</u>	<u>40,547</u>	<u>1,302,113</u>	<u>8,129,797</u>
Depreciation							
At 1 July 2010	291,806	-	116,477	504,446	26,107	-	938,836
Charge for the year	<u>13,416</u>	<u>-</u>	<u>13,530</u>	<u>27,012</u>	<u>8,119</u>	<u>216,000</u>	<u>278,077</u>
At 30 June 2011	<u>305,222</u>	<u>-</u>	<u>130,007</u>	<u>531,458</u>	<u>34,226</u>	<u>216,000</u>	<u>1,216,913</u>
Net book value							
At 30 June 2011	<u>1,620,356</u>	<u>4,180,411</u>	<u>11,049</u>	<u>8,634</u>	<u>6,321</u>	<u>1,086,113</u>	<u>6,912,884</u>
At 30 June 2010	<u>1,633,772</u>	<u>4,367,911</u>	<u>19,968</u>	<u>32,622</u>	<u>14,440</u>	<u>657,405</u>	<u>6,726,118</u>

Investment properties

Investment properties are valued by the directors at the open market value

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

Company

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 July 2010	1,925,578	135,464	537,068	40,547	2,638,657
Additions	-	4,570	3,024	-	7,594
At 30 June 2011	1,925,578	140,034	540,092	40,547	2,646,251
Depreciation					
At 1 July 2010	291,806	115,642	504,446	26,107	938,001
Charge for the year	13,416	13,403	27,012	8,119	61,950
At 30 June 2011	305,222	129,045	531,458	34,226	999,951
Net book value					
At 30 June 2011	1,620,356	10,989	8,634	6,321	1,646,300
At 30 June 2010	1,633,772	19,822	32,622	14,440	1,700,656

John Sinclair (Sheffield) Limited
Notes to the Financial Statements for the Year Ended 30 June 2011
..... *continued*

12 Investments held as fixed assets

Company

	2011 £	2010 £
Shares in group undertakings	<u>230,456</u>	<u>230,456</u>
		Subsidiary undertakings £
Cost		
At 1 July 2010		<u>230,456</u>
At 30 June 2011		<u>230,456</u>
Net book value		
At 30 June 2011		<u>230,456</u>

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Neaversons Limited	Ordinary	100%	Sale of quality china and glassware and property development
Aveley Limited	Ordinary	100%	Property development

The above subsidiaries are included within the consolidated accounts

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

13 Stocks

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Stocks	<u>2,250,029</u>	<u>2,807,542</u>	<u>518,209</u>	<u>494,542</u>

14 Debtors

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	584,593	438,933	49,795	75,972
Amounts owed by group undertakings	-	-	3,613,932	3,843,403
Other debtors	-	24,731	-	-
Deferred tax	8,000	-	-	-
Prepayments and accrued income	<u>308,025</u>	<u>204,348</u>	<u>273,936</u>	<u>175,849</u>
	<u>900,618</u>	<u>668,012</u>	<u>3,937,663</u>	<u>4,095,224</u>

Group debtors includes £nil (2010 - £nil) receivable after more than one year and parent company debtors includes £3,613,932 (2010 - £3,843,403) receivable after more than one year

This can be analysed as follows

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>3,613,932</u>	<u>3,843,403</u>
	<u>-</u>	<u>-</u>	<u>3,613,932</u>	<u>3,843,403</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows

	Group	Company
	£	£
At 1 July 2010	(4,400)	-
Deferred tax credited to the profit and loss account	<u>12,400</u>	<u>-</u>
At 30 June 2011	<u>8,000</u>	<u>-</u>

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

Analysis of deferred tax

Group

	2011 £	2010 £
Accelerated capital allowances	14,592	13,549
Losses	(22,592)	(9,149)
	<u>(8,000)</u>	<u>4,400</u>

15 Creditors: Amounts falling due within one year

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Trade creditors	733,184	822,083	652,143	665,779
Bank loans and overdrafts	535,545	457,601	364,871	327,500
Amounts owed to group undertakings	-	-	423,974	289,147
Other taxes and social security	107,888	11,274	221,664	147,434
Other creditors	16,149	20,232	13,383	18,241
Directors' current accounts	93,981	99,212	18,981	24,212
Accruals and deferred income	166,734	208,996	77,200	103,592
	<u>1,653,481</u>	<u>1,619,398</u>	<u>1,772,216</u>	<u>1,575,905</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given

Company

	2011 £	2010 £
Bank loans and overdrafts	<u>364,871</u>	<u>327,500</u>

Group

	2011 £	2010 £
Bank loans and overdrafts	<u>535,545</u>	<u>457,601</u>

Bank loans and overdrafts are secured by charges over group properties and by various cross guarantees from the companies within the group. Loans are repayable on a monthly basis with an element of the instalments falling due after more than five years. Interest is charged at a rate of 0.95% over Barclays Bank base rate and 0.95% over LIBOR for each of the differing loan arrangements.

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

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16 Creditors: Amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	<u>2,333,123</u>	<u>2,512,611</u>	<u>63,279</u>	<u>117,244</u>

Creditors amounts falling due after more than one year includes the following liabilities on which security has been given

Group

	2011	2010
	£	£
Bank loans and overdrafts	<u>2,333,123</u>	<u>2,512,611</u>

Company

	2011	2010
	£	£
Bank loans and overdrafts	<u>63,279</u>	<u>117,244</u>

Included in creditors are the following amounts due after more than 5 year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
After more than five years by instalments	<u>1,776,932</u>	<u>1,916,268</u>	<u>9,180</u>	<u>22,993</u>

17 Share capital

Allotted, called up and fully paid shares

	2011		2010	
	No.	£	No.	£
Ordinary shares of £1 each	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

18 Dividends

	2011 £	2010 £
Dividends paid		
Current year interim dividend paid	<u>13,728</u>	<u>10,175</u>

19 Reserves

Group

	Profit and loss account £
At 1 July 2010	5,758,687
Profit for the year	286,094
Dividends	<u>(13,728)</u>
At 30 June 2011	<u>6,031,053</u>

Company

	Profit and loss account £
At 1 July 2010	4,518,267
Loss for the year	(55,555)
Dividends	<u>(13,728)</u>
At 30 June 2011	<u>4,448,984</u>

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

20 Reconciliation of movement in shareholders' funds

Group

	2011 £	2010 £
Profit attributable to the members of the group	286,094	341,717
Dividends	(13,728)	(10,175)
Net addition to shareholders' funds	272,366	331,542
Shareholders' funds at 1 July	6,078,687	5,747,145
Shareholders' funds at 30 June	6,351,053	6,078,687

Company

	2011 £	2010 £
(Loss)/profit attributable to the members of the company	(55,555)	251,131
Dividends	(13,728)	(10,175)
Net (reduction)/addition to shareholders' funds	(69,283)	240,956
Shareholders' funds at 1 July	4,838,267	4,597,311
Shareholders' funds at 30 June	4,768,984	4,838,267

21 Pension scheme

Defined contributions pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £14,746 (2010 - £15,273).

Contributions totalling £1,693 (2010 - £2,601) were payable to the schemes at the end of the year and are included in creditors.

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

22 Commitments

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £244,000 (2010 - £300,000)

Operating lease commitments

Group

As at 30 June 2011 the group had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2011 £	2010 £
Land and buildings		
Within two and five years	<u>80,000</u>	<u>110,000</u>

In addition to the above rental commitments there are additional liabilities to pay rent based on a fixed percentage of turnover for certain rental outlets but these cannot be accurately quantified at the reporting date

Company

As at 30 June 2011 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2011 £	2010 £
Land and buildings		
Within two and five years	80,000	110,000
Over five years	<u>40,000</u>	<u>40,000</u>
	<u>120,000</u>	<u>150,000</u>

In addition to the above rental commitments there are additional liabilities to pay rent based on a fixed percentage of turnover for certain rental outlets but these cannot be accurately quantified at the reporting date

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

23 Reconciliation of operating profit to operating cash flows

	2011	2010
	£	£
Operating profit	525,152	372,078
Depreciation, amortisation and impairment charges	62,077	84,942
Loss on disposal of fixed assets	2,500	5,259
Decrease/(increase) in stocks	557,513	(1,204,493)
(Increase)/decrease in debtors	(224,606)	111,178
Decrease in creditors	(43,861)	(275,738)
Net cash inflow/(outflow) from operating activities	<u>878,775</u>	<u>(906,774)</u>

24 Analysis of net debt

	At 1 July 2010	Cash flow	Other	At 30 June
	£	£	non-cash	2011
			changes	£
			£	
Cash at bank and in hand	13,424	260,702	-	274,126
Bank overdraft	(258,285)	(68,092)	-	(326,377)
	<u>(244,861)</u>	<u>192,610</u>	<u>-</u>	<u>(52,251)</u>
Debt due within one year	(199,316)	199,316	(209,168)	(209,168)
Debt due after more than one year	(2,512,611)	(29,680)	209,168	(2,333,123)
Net debt	<u>(2,956,788)</u>	<u>362,246</u>	<u>-</u>	<u>(2,594,542)</u>

John Sinclair (Sheffield) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

25 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group

Other related party transactions

During the year the company made the following related party transactions

Mr C J Sinclair

(a director of the company)

Other creditors due within one year includes a loan to the company from Mr C J Sinclair on which no interest has been charged. At the balance sheet date the amount due to Mr C J Sinclair was £75,000 (2010 - £80,002)

Mr J C L Sparre

(a director of the company)

Other creditors due within one year includes a loan to the company from Mr C J Sinclair on which no interest has been charged. At the balance sheet date the amount due to Mr J C L Sparre was £18,981 (2010 - £19,210)

During the period the following dividends were paid to the directors

	2011	2010
	£	£
C J Sinclair	5,002	5,002
J M Sinclair	1,978	-
J C L Sparre	-	-