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Registered number 01300295

MARIGOLD HEALTH FOODS LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012



MARIGOLD HEALTH FOODS LIMITED

COMPANY INFORMATION

DIRECTOR	PJ Tobin
COMPANY NUMBER	01300295
REGISTERED OFFICE	102 Camley Street London NW1 0PF
AUDITOR	Nexia Smith & Williamson Chartered Accountants & Statutory Auditors 25 Moorgate London EC2R 6AY
ACCOUNTANTS	Smith & Williamson LLP 25 Moorgate London EC2R 6AY
BANKERS	HSBC London W1U 6AX
SOLICITORS	Solomon Taylor & Shaw 3 Coach House Yard Hampstead High Street London NW3 1QD

MARIGOLD HEALTH FOODS LIMITED

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MARIGOLD HEALTH FOODS LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2012

The director presents his report and the financial statements for the year ended 31 March 2012

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

PRINCIPAL ACTIVITIES

The Company's principal activity continues to be that of the wholesale of vegetarian and vegan foods, drinks, nutritional supplements, toiletries and other animal-free products.

BUSINESS REVIEW

The financial results for the year and the Company's financial position at the year end are shown in the attached statements.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £460,615 (2011 - £428,682).

The total distribution of dividends for the year has been £nil (2011 - £nil). The director does not recommend payment of a final dividend.

DIRECTOR

The director who served during the year was

PJ Tobin

CHARITABLE CONTRIBUTIONS

During the year the Company made charitable donations amounting to £20,563 (2011 - £387).

MARIGOLD HEALTH FOODS LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2012

FINANCIAL RISK MANAGEMENT

The Company's operations expose it to a variety of financial risks, namely changes in credit, liquidity and interest rate risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs. The Company does not use derivative financial instruments to manage interest rate costs and, as such, no hedge accounting is applied.

Given the size of the Company, the director has not delegated the responsibility of monitoring financial risk management. The policies set by the director are implemented by the Company's finance department.

Price risk

The Company is exposed to price risk due to normal inflationary increases in the purchase price of the goods and services it purchases in the UK.

Currency risk

The Company is exposed to foreign currency exchange rate risk as a result of trade creditors which will be settled in Euros, Australian dollars and US dollars. During the year the Company did not enter into any arrangements to hedge this risk as the director did not consider the exposure to be significant given the short term nature of the balances.

Credit risk

The Company has implemented policies that require appropriate credit checks on prospective customers before credit sales are made.

Liquidity risk

The Company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the Company has available sufficient funds for operations and planned expansions.

Interest rate risk

The Company has both interest bearing assets and liabilities. Interest bearing assets consist of cash balances which earn interest at a variable rate depending on the Bank Base Rate and Staff Loans, which earn interest at the beneficial loan rate. Interest bearing liabilities consist solely of a bank loan, which is secured. The Director will revisit the appropriateness of this policy should the Company's operations change in size or nature.

KEY PERFORMANCE INDICATORS

The director and the management use a number of key performance indicators to monitor and appraise the trading and performance of the business. The main key performance indicators are as follows:

	2012	2011
	£	£
Turnover	18,569,718	18,092,793
Gross Profit Percentage	18.6%	17.7%

MARIGOLD HEALTH FOODS LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

PROVISION OF INFORMATION TO AUDITOR

The director at the time when this Director's report was approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

AUDITOR

Under section 487(2) of the Companies Act 2006, Nexia Smith & Williamson will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on *20 September 2012* and signed on its behalf



PJ Tobin
Director

MARIGOLD HEALTH FOODS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MARIGOLD HEALTH FOODS LIMITED

We have audited the financial statements of Marigold Health Foods Limited for the year ended 31 March 2012, which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Balance sheet, the Cash flow statement and the related notes 1 to 23. 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 DIRECTOR AND AUDITOR

As explained more fully in the Director's responsibilities statement, the director is 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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MARIGOLD HEALTH FOODS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MARIGOLD HEALTH FOODS LIMITED

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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Nexia Smith & Williamson

Stephen Drew (Senior statutory auditor)

for and on behalf of

Nexia Smith & Williamson

Chartered Accountants & Statutory Auditors

25 Moorgate

London

EC2R 6AY

Date *27 SEPTEMBER 2012*

MARIGOLD HEALTH FOODS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 £	2011 £
TURNOVER	1,2	18,569,718	18,092,793
Cost of sales		<u>(15,113,751)</u>	<u>(14,884,429)</u>
GROSS PROFIT		3,455,967	3,208,364
Distribution costs		(1,597,886)	(1,484,425)
Administrative expenses		(1,236,212)	(1,099,489)
Other operating income	3	<u>256</u>	<u>-</u>
OPERATING PROFIT	4	622,125	624,450
Interest receivable and similar income	7	3,271	2,989
Interest payable and similar charges	8	<u>(16,133)</u>	<u>(46,771)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		609,263	580,668
Tax on profit on ordinary activities	9	<u>(148,648)</u>	<u>(151,986)</u>
PROFIT FOR THE FINANCIAL YEAR	17	<u>460,615</u>	<u>428,682</u>

All amounts relate to continuing operations

The notes on pages 10 to 18 form part of these financial statements

MARIGOLD HEALTH FOODS LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2012**

	2012	2011
	£	£
PROFIT FOR THE FINANCIAL YEAR	460,615	428,682
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	460,615	428,682
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**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2012**

	2012	2011
	£	£
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	609,263	580,668
Realisation of valuation gains of previous periods	9,548	9,372
	<hr/>	<hr/>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	618,811	590,040
	<hr/> <hr/>	<hr/> <hr/>
HISTORICAL PROFIT FOR THE YEAR AFTER TAXATION	470,163	438,054
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The notes on pages 10 to 18 form part of these financial statements

MARIGOLD HEALTH FOODS LIMITED
REGISTERED NUMBER: 01300295

BALANCE SHEET
AS AT 31 MARCH 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	10		1,251,371		1,310,335
CURRENT ASSETS					
Stocks	11	761,949		805,494	
Debtors	12	2,210,263		2,107,375	
Cash at bank and in hand		682,272		446,513	
		<u>3,654,484</u>		<u>3,359,382</u>	
CREDITORS amounts falling due within one year	13	(2,248,069)		(2,289,717)	
NET CURRENT ASSETS			1,406,415		1,069,665
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,657,786</u>		<u>2,380,000</u>
CREDITORS: amounts falling due after more than one year	14		(525,000)		(700,000)
PROVISIONS FOR LIABILITIES					
Deferred tax	15		(5,785)		(13,614)
NET ASSETS			<u>2,127,001</u>		<u>1,666,386</u>
CAPITAL AND RESERVES					
Called up share capital	16		1,876		1,876
Revaluation reserve	17		648,424		657,972
Capital redemption reserve	17		1,876		1,876
Profit and loss account	17		1,474,825		1,004,662
SHAREHOLDERS' FUNDS	18		<u>2,127,001</u>		<u>1,666,386</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 September 2012.

PJ Tobin

PJ Tobin
Director

The notes on pages 10 to 18 form part of these financial statements

MARIGOLD HEALTH FOODS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	19	577,747	281,711
Returns on investments and servicing of finance	20	(12,862)	(43,782)
Taxation		(156,709)	(181,019)
Capital expenditure and financial investment	20	2,583	(6,791)
CASH INFLOW BEFORE FINANCING		<u>410,759</u>	<u>50,119</u>
Financing	20	(175,000)	29,021
INCREASE IN CASH IN THE YEAR		<u><u>235,759</u></u>	<u><u>79,140</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 £	2011 £
Increase in cash in the year	235,759	79,140
Cash outflow from decrease in debt and lease financing	<u>175,000</u>	<u>(29,021)</u>
MOVEMENT IN NET DEBT IN THE YEAR	<u>410,759</u>	<u>50,119</u>
Net debt at 1 April 2011	(428,487)	(478,606)
NET DEBT AT 31 MARCH 2012	<u><u>(17,728)</u></u>	<u><u>(428,487)</u></u>

The notes on pages 10 to 18 form part of these financial statements

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of Leasehold Property and include the results of the Company's operations which are described in the Directors Report and all of which are continuing

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

L/Term Leasehold Property	-	Over the term of the lease
Motor vehicles	-	Straight line over 6 years
Fixtures & fittings	-	Straight line over estimated life at variable rates

1.4 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and loss account.

1.5 Operating leases

Rentals under operating lease are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the term of the lease, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

1.6 Stocks

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

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.8 Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

1.9 Pensions

The Company contributes to a group personal pension scheme. The assets of the scheme are held separately from those of the Company in independently administered funds. The Company's contributions to the scheme for the year are charged to the profit and loss account.

2. TURNOVER

The whole of the turnover is attributable to the one principal activity of the Company being wholesaler of vegetarian and vegan foods, drinks, nutritional supplements, toiletries and other animal-free products

All turnover arose within the United Kingdom

3. OTHER OPERATING INCOME

	2012 £	2011 £
Other operating income	256	-

MARIGOLD HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

4. OPERATING PROFIT

The operating profit is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	34,483	61,782
Auditor's remuneration	17,995	17,225
Auditor's remuneration - non-audit	1,500	2,400
Operating lease rentals		
- other operating leases	225,936	286,601
	<u>225,936</u>	<u>286,601</u>

5. STAFF COSTS

Staff costs, including director's remuneration, were as follows

	2012 £	2011 £
Wages and salaries	1,528,893	1,417,351
Social security costs	151,459	139,153
Other pension costs	54,176	52,533
	<u>1,734,528</u>	<u>1,609,037</u>

The average monthly number of employees, including the director, during the year was as follows

	2012 No.	2011 No
	<u>56</u>	<u>54</u>

6 DIRECTOR'S REMUNERATION

	2012 £	2011 £
Emoluments	<u>63,890</u>	<u>56,326</u>

7. INTEREST RECEIVABLE

	2012 £	2011 £
Staff loans	2,941	2,780
Bank interest receivable	330	209
	<u>3,271</u>	<u>2,989</u>

MARIGOLD HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

8 INTEREST PAYABLE

	2012 £	2011 £
On bank loans and overdrafts	<u>16,133</u>	<u>46,771</u>

9 TAXATION

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	157,211	157,619
Adjustments in respect of prior periods	(734)	(158)
Total current tax	<u>156,477</u>	<u>157,461</u>
Deferred tax (see note 15)		
Transfer to deferred taxation	(7,829)	(5,475)
Tax on profit on ordinary activities	<u>148,648</u>	<u>151,986</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - *lower than*) the standard rate of corporation tax in the UK of 26% (2011 - 28%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>609,263</u>	<u>580,668</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	158,408	162,587
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,434	4,991
Capital allowances for year in excess of depreciation	6,372	5,316
Adjustments to tax charge in respect of prior periods	(734)	(158)
Marginal relief	(12,003)	(15,275)
Current tax charge for the year (see note above)	<u>156,477</u>	<u>157,461</u>

MARIGOLD HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

10. TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 April 2011	1,250,000	208,616	165,667	1,624,283
Additions	-	-	1,918	1,918
Disposals	-	(137,311)	(9,060)	(146,371)
At 31 March 2012	<u>1,250,000</u>	<u>71,305</u>	<u>158,525</u>	<u>1,479,830</u>
Depreciation				
At 1 April 2011	16,010	165,356	132,582	313,948
Charge for the year	16,181	6,192	12,110	34,483
On disposals	-	(112,017)	(7,955)	(119,972)
At 31 March 2012	<u>32,191</u>	<u>59,531</u>	<u>136,737</u>	<u>228,459</u>
Net book value				
At 31 March 2012	<u>1,217,809</u>	<u>11,774</u>	<u>21,788</u>	<u>1,251,371</u>
At 31 March 2011	<u>1,233,990</u>	<u>43,260</u>	<u>33,085</u>	<u>1,310,335</u>

Cost or valuation at 31 March 2012 is as follows

	Land and buildings £
At cost	-
At valuation:	
23 June 2010 on an open market value basis	<u>1,250,000</u>
	<u>1,250,000</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

	2012 £	2011 £
Cost	652,442	652,442
Accumulated depreciation	(97,624)	(90,631)
Net book value	<u>554,818</u>	<u>561,811</u>

MARIGOLD HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

11. STOCKS

	2012 £	2011 £
Finished goods and goods for resale	761,949	805,494

12. DEBTORS

	2012 £	2011 £
Due after more than one year		
Other debtors	44,303	36,179
Due within one year		
Trade debtors	1,982,550	1,823,899
Other debtors	93,644	188,679
Prepayments and accrued income	89,766	58,618
	<u>2,210,263</u>	<u>2,107,375</u>

13. CREDITORS:

Amounts falling due within one year

	2012 £	2011 £
Bank loans and overdrafts	175,000	175,000
Trade creditors	1,841,687	1,597,745
Corporation tax	157,387	157,619
Social security and other taxes	39,433	35,450
Other creditors	4,531	283,130
Accruals and deferred income	30,031	40,773
	<u>2,248,069</u>	<u>2,289,717</u>

The bank loan is secured with a fixed charge over the Camley Street long term leasehold property. Interest is payable at 2.5% above the Royal Bank of Scotland Base Rate and the loan is repayable over five years.

14. CREDITORS:

Amounts falling due after more than one year

	2012 £	2011 £
Bank loans	525,000	700,000

MARIGOLD HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

15. DEFERRED TAXATION

	2012 £	2011 £
At beginning of year	13,614	19,089
Released during year	(7,829)	(5,475)
At end of year	<u>5,785</u>	<u>13,614</u>

The provision for deferred taxation is made up as follows

	2012 £	2011 £
Accelerated capital allowances	<u>(5,785)</u>	<u>(13,614)</u>

16. SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
1,876 Ordinary Shares shares of £1 each	<u>1,876</u>	<u>1,876</u>

17. RESERVES

	Capital redempt'n reserve £	Revaluation reserve £	Profit and loss account £
At 1 April 2011	1,876	657,972	1,004,662
Profit for the year			460,615
Transfer between Revaluation reserve and P/L account		(9,548)	
Transfer between Revaluation reserve and P/L account		-	9,548
At 31 March 2012	<u>1,876</u>	<u>648,424</u>	<u>1,474,825</u>

18 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds	1,666,386	1,237,704
Profit for the year	460,615	428,682
Closing shareholders' funds	<u>2,127,001</u>	<u>1,666,386</u>

MARIGOLD HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating profit	622,125	624,450
Depreciation of tangible fixed assets	34,483	61,782
Loss/(profit) on disposal of tangible fixed assets	21,898	(107)
Decrease in stocks	43,545	140,957
Increase in debtors	(102,888)	(45,274)
Decrease in creditors	(41,416)	(500,097)
Net cash inflow from operating activities	577,747	281,711

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	3,271	2,989
Interest paid	(16,133)	(46,771)
Net cash outflow from returns on investments and servicing of finance	(12,862)	(43,782)
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,918)	(7,391)
Sale of tangible fixed assets	4,501	600
Net cash inflow/(outflow) from capital expenditure	2,583	(6,791)
	2012 £	2011 £
Financing		
New secured loans	-	29,021
Repayment of loans	(175,000)	-
Net cash (outflow)/inflow from financing	(175,000)	29,021

MARIGOLD HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

21. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2011 £	Cash flow £	Other non-cash changes £	31 March 2012 £
Cash at bank and in hand	446,513	235,759	-	682,272
Debt:				
Debts due within one year	(175,000)	175,000	(175,000)	(175,000)
Debts falling due after more than one year	(700,000)	-	175,000	(525,000)
Net debt	<u>(428,487)</u>	<u>410,759</u>	<u>-</u>	<u>(17,728)</u>

22. OPERATING LEASE COMMITMENTS

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2012 £	2011 £
Expiry date:		
Within 1 year	<u>50,000</u>	<u>130,000</u>

23. RELATED PARTY TRANSACTIONS

Included in other creditors at the year end are amounts due to the Company's director, PJ Tobin of £4,531, (2011 - £283,130)