Company no 02295454

PARAMOUNT

from our kitchens to yours

PARAMOUNT 21 LIMITED

Report and accounts

For the year ended

31 October 2011

Prepared by
Nigel Webster & Co Limited
Chartered Accountants
Abacus House
129 North Hill
Plymouth
PL4 8JY

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Company no 02295454

PARAMOUNT 21 LIMITED

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PARAMOUNT 21 LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

MANAGING DIRECTOR	Mrs A B Hannaford
OTHER DIRECTORS	P Hannaford S Lamont Mrs S Cullum J E Phillips
SECRETARY	P Hannaford
AUDITORS	Nigel Webster & Co Limited Abacus House 129 North Hill Plymouth PL4 8JY
BANKERS	HSBC plc 250 - 251 High Street Exeter EX4 3PZ
SOLICITORS	Kitsons LLP Minerva House Orchard Way Edginswell Park Torquay TQ2 7FA
REGISTERED OFFICE	Old Newton Road Heathfield Newton Abbot TQ12 6RA
REGISTERED NUMBER	02295454

PARAMOUNT 21 LIMITED
REPORT OF THE DIRECTORS

The directors present their report, together with the financial statements of the company for the year ended 31 October 2011

RESULTS, REVIEW OF DEVELOPMENT AND DIVIDENDS

REVIEW OF BUSINESS

Business review and principal activities

Paramount 21 Ltd ("the Company") continues to operate a food manufacturing operation in Devon with a satellite site in Cornwall, the Company's principal activity is to produce meal solutions for the frozen seafood and vegetarian market in the UK

In December 2010, the directors took the decision to takeover The Cornish Seafood Company, a fish processing facility in Cornwall This was part of a strategy to vertically integrate the Company closer to the source of landings and to enhance our material sourcing capabilities Customers are increasingly requesting provenance and sustainability The Cornish Seafood Company enhances the Company's offering in these vital areas The directors have embarked upon an 18 month strategy to integrate and develop the facility and systems in order that it can positively contribute to our strategy

The results for the Company are shown in the attached financial statements There has been a 12 5% increase in sales over the year, whereas margins are down on 2010 as the Company experienced significant raw material price increases during the year, most notably in the fish category Due to the continuing difficulties in the market and economy as a whole recovering these input price increases through customer price increases proved difficult

Operating costs remained well controlled as the Company continued to invest in assembling a team to deliver the agreed strategy Financing and interest costs increased during the year, reflecting the increased turnover of the business and the commencement of HP agreements used to finance recent additions to our facility and equipment Operating profit was down £25,187 compared to 2010 However this is after absorbing costs associated with the integration of the Cornish Seafood Company and the amortisation of associated goodwill

Stock levels remained relatively unchanged on 2010 and both trade debtors and creditors increased in line with expectations given the increase in the level of turnover Both remained well controlled and were operated to the satisfaction of the appropriate parties

Capital and people investment

In line with the adopted growth strategy, further investment took place in the year in the Production, Sales, Marketing and Product Development teams The Company employed an average of 69 people an increase of 11 over the previous year

PARAMOUNT 21 LIMITED
REPORT OF THE DIRECTORS

During the year, the Company completed the extension to its factory facility and successfully commissioned the plant within expected timeframes New product launches have commenced through the year Further investment took place during the year, with total capital expenditure of £645,848 The most notable investment during the year, other than the extension and associated plant, was the installation of a modern computerised weigh scale and traceability system throughout the business, this has led to greater efficiency and transparency in production Both the factory extension, its associated plant and the weigh scale system were part funded by the European Fisheries Fund

Research and development

The Company has continued to invest in product development and the directors believe that such innovation is integral to the on-going success of the Company As part of its product development strategy, the Company continues to invest in its facility to expand its portfolio of products and to deliver against its customer requirements

The Company continues to review the market and invest in research to keep it in tune with both its customers and end consumer requirements

Environment and sustainability

The Company remains strongly committed to operating its business in an appropriate manner that is beneficial to all stakeholders To this end the Company operates a cross functional environmental management team, tasked with reviewing and improving our environmental performance This is further underlined by a commitment by the directors to attain ISO14001 accreditation within the next couple of years Furthermore, during the year, a cross functional team has been established to push forward our policy and procedures in respect of sustainability

Principal risk and uncertainties

The Company continues to face a number of risks and uncertainties, notably growing pressure from its customers to keep prices low and competition in the markets it supplies

The Company also recognises the risks of the availability and increasing raw material prices from its suppliers and on-going pressure on general operating costs, such as utility and employment costs

PARAMOUNT 21 LIMITED
REPORT OF THE DIRECTORS

Key performance indicators

In order to monitor the risks facing the business, key performance indicators (KPI's) are operated at all levels to measure performance enabling the Company to control its business on a daily basis These KPI's range from financial to operational measures to ensure any issues are highlighted and addressed on a timely basis Management and board meetings are held on a regular basis to review operational performance.

Future outlook

The directors feel that the budget set for the coming year remains challenging but attainable and demonstrates the further growth that is available within the business and its chosen markets

The focus for the future must remain factory efficiency, quality, service and innovation, whilst retaining accreditation to the British Retail Consortium Global Food Standard By continuing to produce high quality products and offering them at competitive prices, whilst managing costs and internal efficiency, we are well placed to deliver against customer expectations for the coming year and to grow the business accordingly

The directors continue to believe that the market will remain highly competitive but that the Company is well placed to deliver in the best interest of all stakeholders with the infrastructure and team it has built and invested in

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2010 to the date of this report

A B Hannaford
P Hannaford
S Lamont
S Cullum
J E Phillips

FINANCIAL INSTRUMENTS

The Company's financial instruments comprise cash at bank, invoice discounting, bank loans and chattels mortgages The main purpose of these financial instruments is to raise adequate finance for the Company's operations The main risks arising from the Company's financial instruments are interest rate fluctuations and liquidity risk It is the Company's policy to finance its operations through a mixture of cash and borrowings and to review periodically the mix of these instruments with regard to the projected cash flow requirements of the Company and an acceptable level of risk exposure The Company operated an interest rate hedge in respective of its mortgages on the freehold site, this was not renewed at the end of its term in November 2011 All other chattels mortgages are on fixed rate facilities over a short period of time Currency exposure is managed through the use of securing fixed price time options at the point of delivery

PARAMOUNT 21 LIMITED
REPORT OF THE DIRECTORS

STATEMENT OF DIRECTORS RESPONSIBILITIES

The directors are responsible for preparing the report and accounts 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 accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period

In preparing those financial statements, the directors are required to

(a) select suitable accounting policies and then apply them consistently,
(b) make judgements and estimates that are reasonable and prudent,
(c) 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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 steps for the prevention and detection of fraud and other irregularities

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

We, the directors of the company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that

* there is no relevant audit information of which the company's auditors are unaware, and
* we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant information and to establish that the company's auditors are aware of that information

BY ORDER OF THE BOARD

P Hannaford.

P HANNAFORD
COMPANY SECRETARY
DATE: 6th June 2012.

INDEPENDENT AUDITOR'S REPORT TO PARAMOUNT 21 LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 8 to 20, together with the full accounts of the company for the year ended 31st October 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with section 449 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 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, 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 are properly prepared in accordance with those provisions 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 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

S F POUND FCCA, Senior Statutory Auditor, for and on behalf of
NIGEL WEBSTER & CO LTD
CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS
Abacus House, 129 North Hill
Plymouth, PL4 8JY

DATE: 12TH June 2012.

PARAMOUNT 21 LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 October 2011

	Note	2011	2010
GROSS PROFIT		2,041,684	1,946,406
Distribution costs		(225,386)	(195,633)
Administrative expenses		(263,924)	(260,637)
Other operating charges		(843,173)	(755,748)
OPERATING PROFIT	3	709,201	734,388
Interest payable and similar charges	6	(174,184)	(159,030)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		535,017	575,358
TAX ON PROFIT ON ORDINARY ACTIVITIES	7	(156,462)	(140,218)
PROFIT FOR THE FINANCIAL YEAR	19	£ 378,555	£ 435,140

The annexed notes form an integral part of these financial statements

PARAMOUNT 21 LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 October 2011

	Note	2011	2010
Profit after taxation for the financial year		378,555	435,140
Elimination of surplus on revaluation of freehold property	18	-	(224,655)
Total recognised gains and losses related to the year		£ 378,555	£ 210,485

The annexed notes form an integral part of these financial statements

PARAMOUNT 21 LIMITED

BALANCE SHEET as at 31 October 2011

	Note		2011		2010
FIXED ASSETS					
Intangible assets	8		211,363		-
Tangible assets	9		2,976,406		2,561,320
Investments	10		1		-
			3,187,770		2,561,320
CURRENT ASSETS					
Stock	11	643,852		647,678	
Debtors	12	1,084,393		1,292,914	
Cash at bank and in hand		31,890		30,552	
		1,760,135		1,971,144	
CREDITORS: Amounts falling due within one year	13	2,148,657		2,061,640	
NET CURRENT LIABILITIES			(388,522)		(90,496)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,799,248		2,470,824
CREDITORS Amounts falling due after more than one year	14		(1,535,968)		(1,542,225)
DEFERRED TAXATION	16		(110,000)		(90,000)
NET ASSETS			£ 1,153,280		£ 838,599
CAPITAL AND RESERVES					
Called up share capital	17		150,000		150,000
Profit and loss account	19		1,003,280		688,599
SHAREHOLDERS FUNDS			£ 1,153,280		£ 838,599

The financial statements were approved and authorised for issue by the board of directors on 6|6|12.

MANAGING DIRECTOR - MRS A HANNAFORD

FINANCE DIRECTOR - J PHILLIPS

The annexed notes form an integral part of these financial statements

PARAMOUNT 21 LIMITED
CASH FLOW STATEMENT
For the year ended 31 October 2011

	Note	2011	2010
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING			
Operating profit		709,201	734,388
Depreciation		230,762	168,262
Amortisation of goodwill		53,002	-
Amortisation of deferred income		(27,542)	(7,648)
Decrease/(increase) in stocks		3,826	(141,265)
Decrease/(increase) in debtors		208,521	(446,698)
Increase in creditors		95,527	109,422
Net cash inflow from operating activities		£ 1,273,297	£ 416,461
CASH FLOW STATEMENT			
Net cash inflow from operating activities		1,273,297	416,461
Returns on investment and servicing of finance	22	(174,184)	(159,030)
Taxation		(130,578)	(51,218)
Capital expenditure	22	(781,964)	(671,913)
Equity dividends paid	20	(63,874)	-
Financing	22	(121,359)	537,826
Increase in cash		£ 1,338	£ 72,126
Reconciliation of net cash flow to movement in net debt			
Increase in cash during the year	23	1,338	72,126
Decrease/(increase) in net debt and lease financing	23	121,359	(537,826)
Change in net debt		122,697	(465,700)
Net debt at the beginning of the year	23	(2,185,860)	(1,720,160)
Net debt at the end of the year	23	£ (2,063,163)	£ (2,185,860)

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

1 ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property which is included at market value The financial statements only refer to the parent undertaking as the short period of trading relating to the sole subsidiary during the period is immaterial to the financial statements and the subsidiary was both dormant and immaterial at the year end No disclosure of related party transactions with wholly owned subsidiaries has been made in accordance with the exemption granted in FRS 8

Depreciation

Depreciation is calculated to write down the cost of tangible fixed assets over their expected useful economic lives using the following rates

Leasehold buildings	Over the duration of the lease interest
Freehold land and buildings	Not depreciated - see below
Plant and equipment	A straight line depreciation policy of between 4% and 33 33% after deducting an estimated realisable value between 0% and 15% of cost
Motor vehicles	20% to 33 3% straight line

No depreciation is charged on freehold buildings as a result of the directors adopting a policy of revaluation The balance sheet value will be kept up to date in accordance with the requirments of the FRS 15

Stock

Stock and work in progress are valued at the lower of cost and net realisable value Raw materials and work in progress are valued at actual cost Finished goods are based upon the average cost of raw material content plus an attributable amount for overhead absorption based on the number of days production Net realisable value is calculated as the selling price of stock after deducting all associated costs of sale

Foreign currencies

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

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

1 ACCOUNTING POLICIES (Continued)

Deferred taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes In accordance with FRS19, the company adopts a policy of full provision for deferred tax liabilities and recognises deferred tax assets when there is a likelihood that they will reverse in the foreseeable future

Grants

Grants in respect of capital expenditure are treated as deferred income and amortised over the period of the relevant assets useful economic lives Grants in respect of revenue are credited to the profit and loss account when the conditions for receipt have been met

Leasing and hire purchase commitments

Tangible fixed assets acquired under or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets Where assets are acquired under finance leases, the asset is capitalised and depreciated over the period of the finance lease The related obligations, net of future finance charges, are included in creditors Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pensions

The company operates two pension schemes, an executive defined contribution scheme for relevant directors and employers contributions to certain employees personal pension schemes All pension costs are charged to the profit and loss account when incurred

Goodwill

Goodwill is being written off in equal annual instalments over the directors estimate of its useful economic life of 5 years The directors have chosen a useful life of 5 years as their best estimate of the finite use of the asset, recognising the associated risks The basis of valuing goodwill is value in use in accordance with FRS 10 and is assessed according to the present value of future cashflows obtainable as a result of the assets continued use

2 TURNOVER

Turnover represents amounts invoiced in respect of goods net of value added tax Turnover is recognised in the accounts on the date of dispatching the goods to the customer Turnover is from one continuing class of business and has a geographical market currently only in the UK

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

3 OPERATING PROFIT

	2011	2010
This is stated after charging		
Depreciation and amortisation of owned fixed assets	£ 169,456	£ 142,997
Depreciation of fixed assets on hire purchase	61,306	20,111
Loss on disposal of tangible fixed assets	-	5,521
Amortisation of goodwill	53,002	-
Directors emoluments	297,998	308,843
Directors pension contributions	11,621	9,999
Other pension contributions	21,723	20,819
Hire of plant	15,943	10,686
Rent of premises	6,479	-
Auditors remuneration - non audit services	4,000	3,500
Auditors remuneration	5,000	4,350

4 DIRECTORS' REMUNERATION

Remuneration	297,998	308,843
Contributions to a pension scheme	11,621	9,999
	£ 309,619	£ 318,842
The remuneration of the highest paid director included above was		
Remuneration	77,792	83,547
Contributions to a pension scheme	2,797	9,999
	£ 80,589	£ 93,546

During the year, 2 directors were accruing benefits under money purchase pension schemes and 2 directors exercised share options

5 STAFF COSTS

The average number of persons employed by the company, including directors, during the year was as follows

Management and administration	14	13
Production	48	40
Sales	7	5
	69	58

The aggregate payroll costs of these persons were as follows -

Wages and salaries	1,539,520	1,433,319
Social security costs	139,828	125,536
Other pension costs	33,344	30,818
	£ 1,712,692	£ 1,589,673

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2011	2010
Interest payable - bank loans and overdrafts	55,853	51,176
- all other loans	40,275	41,138
Other charges	-	13,928
Invoiced discounting finance costs	57,279	45,448
Finance charges payable - finance leases and hire purchase contracts	20,777	7,340
	£ 174,184	£ 159,030

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge for the period

Current tax		
UK corporation tax on profits of the period	135,884	130,000
Adjustment in respect of previous periods	578	1,218
Total current tax	£ 136,462	£ 131,218
Deferred tax		
Origination and reversal of timing differences	26,000	12,000
Increase in discout	(6,000)	(3,000)
Total deferred tax	£ 20,000	9,000
Total tax on profit on ordinary activities	£ 156,462	£ 140,218

(b) Factors affecting tax charge for the period

The tax assessed for the period differs to the standard rate of corporation tax in the UK of 26 83% The differences are set out below

Profit on ordinary activities before tax			£ 535,017	£ 575,358
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of	2011 26 83%	2010 28%	143,545	161,100
Effects of				
Expenses not deductible for tax purposes			2,483	4,133
Other adjustments			(9,711)	(578)
Capital allowances for period compared to depreciation			3,612	(17,630)
Marginal relief			(4,045)	(17,025)
Adjustment in respect of previous periods			578	1,218
Current tax charge for the period			£ 136,462	£ 131,218

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

8 INTANGIBLE FIXED ASSETS

	Goodwill
COST	
Brought forward	-
Additions	264,365
Carried forward	264,365
AMORTISATION	
Brought forward	-
Provided during the year	53,002
Carried forward	53,002
NET BOOK VALUE	
Brought forward	£ -
Carried forward	£ 211,363

9 TANGIBLE FIXED ASSETS

	Land and buildings	Plant and equipment	Motor vehicles	Total
COST				
Brought forward	1,599,815	1,671,172	33,302	3,304,289
Additions	222,835	400,333	22,680	645,848
Carried forward	1,822,650	2,071,505	55,982	3,950,137
DEPRECIATION				
Brought forward	-	738,377	4,592	742,969
Charge for the year	1,354	213,275	16,133	230,762
Carried forward	1,354	951,652	20,725	973,731
NET BOOK VALUE				
Brought forward	£ 1,599,815	£ 932,795	£ 28,710	£ 2,561,320
Carried forward	£ 1,821,296	£ 1,119,853	£ 35,257	£ 2,976,406

Land and buildings includes non depreciable land of £360,000 and leasehold property with a net book value of £1,146 (cost £2,500 and depreciation £1,354) Land and buildings includes freehold land and buildings with a gross historical cost of £1,820,150 that is carried at a net market value of £1,528,625 The net market value reflects the gross costs of £1,820,150 and grants receivable (which are presented as deferred income) The latest interim valuation was carried out by S Avery MRICS of Irvine Nott LLP on 19th November 2010 The property was valued at £1,400,000 on both an existing use and market value basis The net carrying value in the accounts reflects the latest value plus all notional costs of acquisition and an assumed growth rate according to market conditions Previous valuations of the property have been carried out in October 2006 and in July 2007, when the respective valuations were £850,000 and £1,270,000

	2011	2010
Net book value of plant and machinery included above held under finance leases and hire purchase contracts	£ 642,426	£ 229,335

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

10 INVESTMENTS

	Investments in subsidiary undertakings
COST	
Brought forward	-
Additions	1
Carried forward	£ 1

The company holds 100% of Cornish Seafood Company Limited a company incorporated in England & Wales This company, although dormant at the balance sheet date, traded until November 2010 The last results for the period ending 30th November 2010 was a profit after tax of £131,015 At 31st October 2011 it has no reserves and a share capital of £1

11 STOCK

	2011	2010
Raw materials	335,321	241,563
Work in progress	3,337	4,264
Finished goods	305,194	401,851
	£ 643,852	£ 647,678

12 DEBTORS

Trade debtors - factored	956,924	707,652
Vat refund	32,591	58,064
Accrued capital grants	-	326,285
Other debtors and prepayments	94,878	200,913
	£ 1,084,393	£ 1,292,914

13 CREDITORS: Amounts falling due within one year

Bank loans and overdrafts - secured	65,000	556,330
Obligations under finance lease and hire purchase contracts - secured	184,652	70,512
Trade creditors	737,785	617,896
Corporation tax	135,884	130,000
Debt factoring company - secured	705,992	401,615
Other taxation and social security costs	65,945	44,316
Deferred grant income	27,038	8,619
Directors loans	90,000	50,000
Other creditors	136,361	182,352
	£ 2,148,657	£ 2,061,640

Bank loans and overdrafts are secured by a fixed charge over book debts, a floating charge over all other assets and a first legal charge against the company's freehold property

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

14 CREDITORS: Amounts falling due after one year	2011	2010
Bank loans - secured	677,647	739,752
Directors loans	86,881	262,954
Obligations under finance lease and hire purchase contracts - secured	284,881	135,249
Deferred grant income	486,559	404,270
	£ 1,535,968	£ 1,542,225

The payment terms and interest rate relating to the bank loans is payment in regular monthly instalments and an interest rate of 1 75% and 2% over base rate

15 BORROWINGS

Analysis of creditors falling due after more than five years

Aggregate of instalments that fall due for repayment after five years		
Bank loans	432,000	467,000
	£ 432,000	£ 467,000

16 DEFERRED TAXATION

Deferred taxation is as follows

Deferred taxation:		
Accelerated capital allowances (undiscounted)	140,653	114,314
Discount	(30,653)	(24,314)
Discounted provision for deferred tax	£ 110,000	£ 90,000

Movement in deferred taxation		
Brought forward	90,000	81,000
Deferred tax for the period	20,000	9,000
Carried forward	£ 110,000	£ 90,000

Movement in provision for liabilities and charges		
Brought forward	90,000	81,000
Movement in period	20,000	9,000
Carried forward	£ 110,000	£ 90,000

17 SHARE CAPITAL

Allotted, called up and fully paid		
150,000 ordinary shares of £1 each	£ 150,000	£ 150,000

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

18 REVALUATION RESERVE

	2011	2010
Brought forward	-	224,655
Eliminated on revaluation during the year	-	(224,655)
Carried forward	-	-

19 PROFIT AND LOSS RESERVE

Brought forward	688,599	253,459
Profit for the financial year	378,555	435,140
Dividends paid	(63,874)	-
Carried forward	£ 1,003,280	£ 688,599

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Profit for the financial year	378,555	435,140
Dividends paid	(63,874)	-
Other recognised gains and losses for the year	-	(224,655)
Net additions to shareholders funds	314,681	210,485
Opening shareholders funds	838,599	628,114
Closing shareholders funds	£ 1,153,280	£ 838,599

21 TRANSACTIONS WITH RELATED PARTIES AND DIRECTORS

At the balance sheet date the following amounts were owed to related parties and directors for loans to the company -

Mrs A Hannaford	director and shareholder	£88,441
Mr P Hannaford	director and shareholder	£88,440

The following transactions took place with related parties and directors during the year -

		Dividend received	Interest received on loan account
Mrs A Hannaford	director and shareholder	£31,936	£20,138
Mr P Hannaford	director and shareholder	£19,162	£20,137
J Phillips	director and shareholder	£3,194	-
S Lamont	director and shareholder	£3,194	-
J Hannaford	son of director and shareholder	£3,194	-
J Hannaford	son of director and shareholder	£3,194	-

PARAMOUNT 21 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2011

22 GROSS CASH FLOWS

	2011	2010
Returns on investments and servicing of finance		
Interest received	-	-
Interest paid	(174,184)	(159,030)
	£ (174,184)	£ (159,030)
Capital expenditure		
Payments to acquire intangible fixed assets	(264,365)	-
Payments to acquire tangible fixed assets	(645,848)	(1,107,788)
Payments to acquire investments	(1)	-
Receipts from capital grants	128,250	419,354
Receipts from sales of tangible fixed assets	-	16,521
	£ (781,964)	£ (671,913)
Financing		
New loans and HP raised	391,320	868,978
Increase/(decrease) in short-term borrowing - debt factoring	304,377	(17,087)
Hire purchase repayments	(127,548)	(42,917)
Directors loan repayments	(136,073)	(51,688)
Repayment of bank loans	(553,435)	(219,460)
	£ (121,359)	£ 537,826

23 ANALYSIS OF CHANGES IN NET DEBT

	Brought forward	Cash flows	Other changes	Carried forward
Cash at bank and in hand	30,552	1,338	-	31,890
Bank overdrafts	-	-	-	
		1,338		
Debt due within one year	(1,078,457)	32,813	-	(1,045,644)
Debt due after one year	(1,137,955)	88,546	-	(1,049,409)
		121,359		
Total debt	£ (2,185,860)	£ 122,697	-	£ (2,063,163)

24 ULTIMATE CONTROL

The company is controlled by its managing director Mrs Alison Hannaford