
B W HILLS SOUTHBANK LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2015

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B W HILLS SOUTHBANK LIMITED

COMPANY INFORMATION

DIRECTORS

B W Hills
Mrs P E M Hills

COMPANY SECRETARY

J R G Atkinson

REGISTERED NUMBER

01338782

REGISTERED OFFICE

Wetherdown House
Lambourn
Hungerford
Berkshire
RG17 8UB

INDEPENDENT AUDITORS

Nexia Smith & Williamson
Statutory Auditor & Chartered Accountants
Old Library Chambers
21 Chipper Lane
Salisbury
Wiltshire
SP1 1BG

B W HILLS SOUTHBANK LIMITED

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B W HILLS SOUTHBANK LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2015**

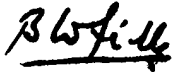
PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of provision of racehorse training services.

BUSINESS REVIEW

The financial statements set out the profit and loss account for the year ended 31 January 2015 and the financial position of the company as at that date. Due to the continuing difficult economic environment, which has significantly impacted the bloodstock industry, this has been a difficult trading year for the company. The Directors are aware of the financial risks, mainly but not limited to credit, liquidity and interest rate risks that the business faces and appropriate measures are in place to mitigate these where possible.

This report was approved by the board and signed on its behalf.



.....
B W Hills
Director

Date: 27 October 2015

B W HILLS SOUTHBANK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2015

The directors present their report and the financial statements for the year ended 31 January 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS

The directors who served during the year were:

B W Hills
Mrs P E M Hills

GOING CONCERN

The company is dependent on continuing support from its bankers and, at the date on which these financial statements were signed, the directors are in negotiation with the bank with a view to the arrangement of a long term loan facility. Based upon their current understanding of the position, the directors are confident that the negotiations with the bank will reach a satisfactory conclusion.

In addition, the company has traded profitably in the period from 1 February 2015 and the directors believe that this will continue to be the case.

Therefore after undertaking appropriate forecasting procedures and making enquiries of management and of its bankers, the directors are satisfied that the company will have sufficient financial resources to enable it to meet its liabilities as they fall due and continue in operation for the foreseeable future, being not less than one year from the date on which the financial statements were approved by the board.

B W HILLS SOUTHBANK LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2015**

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are 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 relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, Nexia Smith & Williamson will be deemed to have been reappointed as auditors 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 and signed on its behalf.

.....
B W Hills

Director

Date:

B W HILLS SOUTHBANK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF B W HILLS SOUTHBANK LIMITED

We have audited the financial statements of B W Hills Southbank Limited for the year ended 31 January 2015, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and the related notes. 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company 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 Directors' responsibilities statement, 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 Financial Reporting Council'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 January 2015 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.

EMPHASIS OF MATTER - GOING CONCERN

In forming our opinion, which is not modified, we have considered the adequacy of the disclosure made in note 1.2 to the financial statements concerning the company's ability to continue as a going concern. As at 31 January 2015 the company had net current liabilities of £2,233,449. The company is dependent on the continuing support from its bankers. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

B W HILLS SOUTHBANK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF B W HILLS SOUTHBANK 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 directors' 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.

Peter Treadgold (Senior statutory auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditor

Chartered Accountants

Old Library Chambers

21 Chipper Lane

Salisbury

Wiltshire

SP1 1BG

Date: *29 October 2015.*

B W HILLS SOUTHBANK LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2015**

	Note	2015 £	2014 £
TURNOVER	1	4,351,007	<i>3,806,419</i>
Cost of sales		<u>(3,318,144)</u>	<u>(2,810,733)</u>
GROSS PROFIT		1,032,863	<i>995,686</i>
Administrative expenses		<u>(892,542)</u>	<u>(888,394)</u>
OPERATING PROFIT	3	140,321	<i>107,292</i>
Interest payable and similar charges	6	<u>(90,519)</u>	<u>(96,389)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		49,802	<i>10,903</i>
Tax on profit on ordinary activities	7	<u>(28,045)</u>	<u>(36,348)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	15	<u>21,757</u>	<u><i>(25,445)</i></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

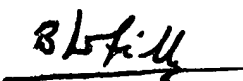
The notes on pages 9 to 19 form part of these financial statements.

B W HILLS SOUTHBANK LIMITED
REGISTERED NUMBER: 01338782

BALANCE SHEET
AS AT 31 JANUARY 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	8		2,853,733		2,870,261
CURRENT ASSETS					
Stocks	9	148,760		210,797	
Debtors: amounts falling due after more than one year	10	72,228		107,367	
Debtors: amounts falling due within one year	10	1,116,561		1,049,144	
Cash at bank and in hand		4,130		4,593	
			<u>1,341,679</u>	<u>1,371,901</u>	
CREDITORS: amounts falling due within one year	11	<u>(3,575,128)</u>		<u>(3,622,903)</u>	
NET CURRENT LIABILITIES			<u>(2,233,449)</u>		<u>(2,251,002)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>620,284</u>		<u>619,259</u>
CREDITORS: amounts falling due after more than one year	12		<u>(53,669)</u>		<u>(90,844)</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	13		<u>(31,533)</u>		<u>(15,090)</u>
NET ASSETS			<u>535,082</u>		<u>513,325</u>
CAPITAL AND RESERVES					
Called up share capital	14		100		100
Profit and loss account	15		<u>534,982</u>		<u>513,225</u>
SHAREHOLDERS' FUNDS	16		<u>535,082</u>		<u>513,325</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
B W Hills
 Director

Date: 27 October 2015

B W HILLS SOUTHBANK LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	17	388,482	115,826
Returns on investments and servicing of finance	18	(90,519)	(96,389)
Taxation		(2,049)	36,584
Capital expenditure and financial investment	18	(83,733)	(30,935)
CASH INFLOW BEFORE FINANCING		212,181	25,086
Financing	18	(196,350)	951,539
INCREASE IN CASH IN THE YEAR		15,831	976,625

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 JANUARY 2015**

	2015 £	2014 £
Increase in cash in the year	15,831	976,625
Cash outflow from decrease in debt and lease financing	196,350	(951,539)
MOVEMENT IN NET DEBT IN THE YEAR	212,181	25,086
Net debt at 1 February 2014	(2,481,495)	(2,506,581)
NET DEBT AT 31 JANUARY 2015	(2,269,314)	(2,481,495)

The notes on pages 9 to 19 form part of these financial statements.

B W HILLS SOUTHBANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Going concern

At the year ended 31 January 2015 the company had net current liabilities of £2,233,449. The company is dependent on continuing support from its bankers and, at the date on which these financial statements were signed, based upon their current understanding of the position, the directors have no reason to believe that the required support from the bank will not be forthcoming.

Whilst there is a material uncertainty in relation to the matters described above which may give rise to significant doubts as to the going concern basis, after undertaking appropriate forecasting procedures and making enquiries of management, the directors are satisfied that the company will have sufficient financial resources to enable it to meet its liabilities as they fall due. The company is expected to continue in operation for the foreseeable future, being not less than one year from the date on which the financial statements were approved by the board. The financial statements do not include those adjustments that would result if the company was unable to continue as a going concern.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of racehorse training fees, bloodstock sales and prizemoney won during the year, exclusive of Value Added Tax. Turnover is recognised when the goods or services have been provided.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% to 5% straight line
Plant and machinery and furniture, fittings and equipment	-	20% straight line
Motor vehicles	-	25% straight line

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

1. ACCOUNTING POLICIES (continued)

1.6 Operating leases

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

1.7 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

1.8 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.

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.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

2. TURNOVER

An analysis of turnover by location is as follows:

	2015 £	2014 £
UK	3,620,035	3,100,390
Europe	230,603	306,969
Rest of World	500,369	399,060
	<u>4,351,007</u>	<u>3,806,419</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	104,428	87,737
- held under finance leases	-	7,480
Auditors' remuneration	10,000	9,280
Operating lease rentals:		
- plant and machinery	18,865	25,956
	<u>18,865</u>	<u>25,956</u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	1,344,131	1,251,145
Social security costs	115,151	99,135
Other pension costs	22,147	17,302
	<u>1,481,429</u>	<u>1,367,582</u>

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

	2015 No.	2014 No.
Yard and office staff	<u>76</u>	<u>71</u>

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

5. DIRECTORS' REMUNERATION

	2015	2014
	£	£
Remuneration	108,614	116,404

During the year retirement benefits were accruing to 2 directors (2014- 2) in respect of defined contribution pension schemes.

6. INTEREST PAYABLE

	2015	2014
	£	£
On bank loans and overdrafts	85,751	87,905
On other loans	-	15
On finance leases and hire purchase contracts	3,992	6,574
Other interest payable	776	1,895
	90,519	96,389

7. TAXATION

	2015	2014
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	25,434	19,211
Adjustments in respect of prior periods	(13,832)	231
Total current tax	11,602	19,442
Deferred tax (see note 13)		
Origination and reversal of timing differences	16,443	16,906
Tax on profit on ordinary activities	28,045	36,348

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

7. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2014 - the same as) the standard rate of corporation tax in the UK of 20% (2014 - 20%) as set out below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>49,802</u>	<u>10,903</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	9,960	2,181
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	14,602	-
Capital allowances for year in excess of depreciation	872	19,043
Utilisation of tax losses	-	(2,013)
Adjustments to tax charge in respect of prior periods	(13,832)	231
Current tax charge for the year (see note above)	<u>11,602</u>	<u>19,442</u>

At the year end, the company had estimated tax losses of £nil (2014 - £nil) available to carry forward.

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery and furniture, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 February 2014	3,633,166	297,178	238,194	4,168,538
Additions	-	-	87,900	87,900
Disposals	-	-	(58,280)	(58,280)
At 31 January 2015	<u>3,633,166</u>	<u>297,178</u>	<u>267,814</u>	<u>4,198,158</u>
Depreciation				
At 1 February 2014	785,867	275,953	236,457	1,298,277
Charge for the year	72,829	8,711	22,888	104,428
On disposals	-	-	(58,280)	(58,280)
At 31 January 2015	<u>858,696</u>	<u>284,664</u>	<u>201,065</u>	<u>1,344,425</u>
Net book value				
At 31 January 2015	<u>2,774,470</u>	<u>12,514</u>	<u>66,749</u>	<u>2,853,733</u>
At 31 January 2014	<u>2,847,299</u>	<u>21,225</u>	<u>1,737</u>	<u>2,870,261</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Plant and machinery	7,160	7,720
Motor vehicles	65,925	-
	<u>73,085</u>	<u>7,720</u>

Included in land and buildings is land at cost of £258,850 (2014 - £258,850) which is not depreciated.

9. STOCKS

	2015 £	2014 £
Bloodstock	99,026	161,483
Deadstock	13,454	14,054
Saddlery and tack	36,280	35,260
	<u>148,760</u>	<u>210,797</u>

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

10. DEBTORS

	2015 £	2014 £
Due after more than one year		
Loan to Wetherdown Limited (see note 23)	72,228	107,367
	<u>72,228</u>	<u>107,367</u>
Due within one year		
Trade debtors	240,614	278,495
Directors' loan account (see note 22)	408,434	269,056
Other debtors	108,109	81,192
Prepayments and accrued income	359,404	420,401
	<u>1,116,561</u>	<u>1,049,144</u>

**11. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Bank loans and overdrafts	2,201,165	2,370,426
Net obligations under finance leases and hire purchase contracts	18,610	24,818
Trade creditors	650,705	676,813
Corporation tax	100,510	81,256
Other taxation and social security	357,936	226,644
Other creditors	76,858	40,948
Accruals and deferred income	169,344	201,998
	<u>3,575,128</u>	<u>3,622,903</u>

The bank loans and overdraft are secured by an unlimited debenture and a fixed charge over the company's freehold land and buildings, an unlimited guarantee by Wetherdown Limited, and a joint and several £1,000,000 guarantee provided by B W Hills and Mrs P E M Hills.

**12. CREDITORS:
Amounts falling due after more than one year**

	2015 £	2014 £
Net obligations under finance leases and hire purchase contracts	53,669	90,844
	<u>53,669</u>	<u>90,844</u>

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

12. CREDITORS:

Amounts falling due after more than one year (continued)

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015 £	2014 £
Between one and five years	53,669	90,844
	<u>53,669</u>	<u>90,844</u>

13. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	(15,090)	1,816
Charge/(reversal) for year	(16,443)	(16,906)
	<u>(31,533)</u>	<u>(15,090)</u>
At end of year	<u>(31,533)</u>	<u>(15,090)</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	(15,090)	(15,090)
Tax losses carried forward	(16,443)	-
	<u>(31,533)</u>	<u>(15,090)</u>
	<u>(31,533)</u>	<u>(15,090)</u>

14. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
2,000 Ordinary shares of £0.05 each	100	100
	<u>100</u>	<u>100</u>

15. RESERVES

	Profit and loss account £
At 1 February 2014	513,225
Profit for the year	21,757
	<u>534,982</u>
At 31 January 2015	<u>534,982</u>

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	513,325	538,770
Profit/(loss) for the financial year	21,757	(25,445)
	<u>535,082</u>	<u>513,325</u>
Closing shareholders' funds	<u>535,082</u>	<u>513,325</u>

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	140,321	107,292
Depreciation of tangible fixed assets	104,428	95,217
Profit on disposal of tangible fixed assets	(4,167)	-
Decrease/(increase) in stocks	62,035	(32,705)
Increase in debtors	(22,578)	(261,905)
Increase in creditors	108,443	207,927
	<u>388,482</u>	<u>115,826</u>
Net cash inflow from operating activities	<u>388,482</u>	<u>115,826</u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	(86,527)	(89,815)
Hire purchase interest	(3,992)	(6,574)
	<u>(90,519)</u>	<u>(96,389)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(90,519)</u>	<u>(96,389)</u>
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(87,900)	(30,935)
Sale of tangible fixed assets	4,167	-
	<u>(83,733)</u>	<u>(30,935)</u>
Net cash outflow from capital expenditure	<u>(83,733)</u>	<u>(30,935)</u>

B W HILLS SOUTHBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015**

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
Financing		
New secured loans	-	879,235
Repayment of loans	(152,967)	-
Repayment of other loans	-	(2,420)
(Repayment of)/new finance leases	(43,383)	74,724
Net cash (outflow)/inflow from financing	(196,350)	951,539

19. ANALYSIS OF CHANGES IN NET DEBT

	1 February 2014 £	Cash flow £	Other non-cash changes £	31 January 2015 £
Cash at bank and in hand	4,593	(463)	-	4,130
Bank overdraft	(491,525)	16,294	-	(475,231)
	<u>(486,932)</u>	<u>15,831</u>	<u>-</u>	<u>(471,101)</u>
Debt:				
Debts due within one year	(1,903,719)	196,350	(37,175)	(1,744,544)
Debts falling due after more than one year	(90,844)	-	37,175	(53,669)
Net debt	<u>(2,481,495)</u>	<u>212,181</u>	<u>-</u>	<u>(2,269,314)</u>

20. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £22,147 (2014 - £17,302).

21. OPERATING LEASE COMMITMENTS

At 31 January 2015 the company had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	-	11,176

B W HILLS SOUTHBANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2015

22. TRANSACTIONS WITH DIRECTORS

B W Hills, a director and shareholder in the company, received rent totaling £26,700 (2014 - £26,700) from the company for the use of gallops and offices owned by him.

Included within debtors is a balance of £408,434 (2014: £269,056) owed to the company by B W Hills on his loan account on 31 January 2015. The maximum overdrawn balance on his loan account during the period was £408,434.

Mrs P E Hills, a director and shareholder of the company, received rent totaling £31,500 (2014 - £31,500) from the company for use of gallops and offices owned by her.

23. RELATED PARTY TRANSACTIONS

B W Hills and Mrs P E Hills are also directors and shareholders in Wetherdown Limited.

B W Hills Southbank Limited has a loan account with Wetherdown Limited and the balance due to the company at 31 January 2015 was £72,228 (2014 - £107,367).

Wetherdown Limited has made an arm's length rental charge of £48,879 (2014 - £48,879) to B W Hills Southbank Limited in return for the company's occupation of the property for the whole year.

Wetherdown Limited has also guaranteed the bank borrowing facility of B W Hills Southbank Limited via an unlimited guarantee.

Included within other debtors is £24,000 (2014 - £24,000) due from the executors of J W Hills. The full amount has been provided for in the prior year.

Included within other creditors is £963 (2014 - £963) due to C B Hills, the directors' son.

24. CONTROLLING PARTY

The ultimate controlling party is B W Hills.