



Plummer Parsons
Chartered Accountants

MENKIND GROUP LIMITED

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

Company Registration No. 06862887 (England and Wales)

Chartered Accountants
& Statutory Auditor

MENKIND GROUP LIMITED

COMPANY INFORMATION

Directors	Mr P R Kraftman Mr P Martin Mr V I Corner
Company number	06862887
Registered office	18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Auditors	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Business address	The Atrium Curtis Road Dorking Surrey RH4 1XA

MENKIND GROUP LIMITED

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MENKIND GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2015

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

Review of the business

The key financial highlights for the year are as follows:

	2015	2014	2013
	£	£	£
Turnover	35,620,984	27,285,640	22,882,379
Turnover growth	31%	19%	6%
Gross profit margin	54%	51%	49%
Profit before tax	3,219,924	1,080,568	257,773

The results for the year and the financial position at the year end were considered satisfactory by the directors with continued growth expected for the future.

The group is subject to general business and economic risks in the same way as similar businesses within the sector.

The group's principal financial instruments comprise bank balances, trade creditors and loans. The main purpose of these instruments is to raise funds for the group's operations. The group's approach to managing the risks applicable to the financial instruments concerned are as follows:

In respect to 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 should it be considered necessary.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due and to ensure loan repayments are met on time.

The Group had a sufficiently strong balance sheet at the year end with sufficient cash reserves to meet forthcoming requirements.

On behalf of the board



Mr P R Kraftman

Director

21 December 2015

MENKIND GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2015

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

Principal activities

Menkind Group Limited is the holding company of a group of companies whose principal activities are those of the operation of retail stores and websites for the sale of men's giftware.

Results and dividends

The results for the year are set out on page 6.

During this year, the final dividend in respect of 2014 for £100,000 was paid on the ordinary share capital of the company,

The directors do not recommend payment of a final ordinary dividend in respect of 2015.

A final preference dividend was paid amounting to £15,000 in respect of the year ended 31 March 2014.

Directors

The following directors have held office since 1 April 2014:

Mr P R Kraftman

Mr P Martin

Mr V I Corner

Employee involvement

The group's policy is to consult and discuss with employees at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no general employee share scheme at present, but the directors would consider the introduction of such a scheme as a means of further encouraging the involvement of employees in the group's performance if they felt it relevant.

Disabled persons

The group does not discriminate against disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

The auditors, Plummer Parsons, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

MENKIND GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 group 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic Report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments and financial instruments.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



Mr P R Kraftman

Director

21 December 2015

MENKIND GROUP LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MENKIND GROUP LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Menkind Group Limited for the year ended 31 March 2015 set out on pages 6 to 24. 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 set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 March 2015 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MENKIND GROUP LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF MENKIND GROUP 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 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.



Steven Griffen ACA FCCA (Senior Statutory Auditor)
for and on behalf of Plummer Parsons

23 DECEMBER 2015

Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

MENKIND GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 £	2014 £
Turnover	2	35,620,984	27,285,640
Cost of sales		(16,441,901)	(13,430,875)
Gross profit		<u>19,179,083</u>	<u>13,854,765</u>
Distribution costs		(2,387,701)	(1,536,117)
Administrative expenses		(13,546,132)	(11,165,232)
Operating profit	3	<u>3,245,250</u>	<u>1,153,416</u>
Interest payable and similar charges	4	(25,326)	(72,848)
Profit on ordinary activities before taxation		<u>3,219,924</u>	<u>1,080,568</u>
Tax on profit on ordinary activities	5	(715,758)	(243,626)
Profit for the year	17	<u><u>2,504,166</u></u>	<u><u>836,942</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

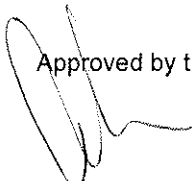
MENKIND GROUP LIMITED

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	8		724,127		889,171
Current assets					
Stocks	10	3,710,718		2,357,754	
Debtors	11	2,722,905		637,436	
Cash at bank and in hand		4,918,553		1,382,218	
		<u>11,352,176</u>		<u>4,377,408</u>	
Creditors: amounts falling due within one year	12	<u>(7,382,489)</u>		<u>(2,656,818)</u>	
Net current assets			<u>3,969,687</u>		<u>1,720,590</u>
Total assets less current liabilities			<u>4,693,814</u>		<u>2,609,761</u>
Creditors: amounts falling due after more than one year	13		(428,631)		(745,360)
Provisions for liabilities	14		(27,001)		(15,385)
			<u>4,238,182</u>		<u>1,849,016</u>
Capital and reserves					
Called up share capital	16		577,000		577,000
Profit and loss account	17		3,661,182		1,272,016
Shareholders' funds	18		<u>4,238,182</u>		<u>1,849,016</u>

Approved by the Board and authorised for issue on 21 December 2015


Mr P R Kraftman
Director

Company Registration No. 06862887

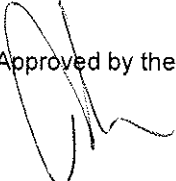
MENKIND GROUP LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Investments	9		877,007		877,005
Creditors: amounts falling due within one year	12	(7)		(5)	
Net current liabilities			(7)		(5)
Total assets less current liabilities			877,000		877,000
Creditors: amounts falling due after more than one year	13		(300,000)		(300,000)
			577,000		577,000
Capital and reserves					
Called up share capital	16		577,000		577,000
Profit and loss account	17		-		-
Shareholders' funds	18		577,000		577,000

Approved by the Board and authorised for issue on 21 December 2015


Mr P R Kraftman
Director

Company Registration No. 06862887

MENKIND GROUP LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	£	2015 £	£	2014 £
Net cash inflow from operating activities		3,738,986		969,297
Returns on investments and servicing of finance				
Interest paid	(25,326)		(72,848)	
Non equity dividends paid	(15,000)		(15,000)	
Net cash outflow for returns on investments and servicing of finance		(40,326)		(87,848)
Taxation		(264,554)		(115,824)
Capital expenditure and financial investment				
Payments to acquire tangible assets	(274,194)		(163,874)	
Payments to acquire investments	(2)		-	
Net cash outflow for capital expenditure		(274,196)		(163,874)
Equity dividends paid		(100,000)		-
Net cash inflow before management of liquid resources and financing		3,059,910		601,751
Financing				
New long term bank loan	-		315,000	
Repayment of long term bank loan	(260,639)		(204,420)	
Capital element of hire purchase contracts	(90,732)		(119,128)	
Net cash outflow from financing		(351,371)		(8,548)
Increase in cash in the year		2,708,539		593,203

MENKIND GROUP LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

1 Reconciliation of operating profit to net cash inflow from operating activities	2015	2014
	£	£
Operating profit	3,245,250	1,153,416
Depreciation of tangible assets	439,238	463,058
Increase in stocks	(1,352,964)	(607,788)
Increase in debtors	(2,085,469)	(67,069)
Increase in creditors within one year	3,492,931	27,680
Net cash inflow from operating activities	3,738,986	969,297

2 Analysis of net funds	1 April 2014	Cash flow	Other non-cash changes	31 March 2015
	£	£	£	£
Net cash:				
Cash at bank and in hand	1,382,218	3,536,335	-	4,918,553
Bank overdrafts	-	(827,796)	-	(827,796)
	<u>1,382,218</u>	<u>2,708,539</u>	<u>-</u>	<u>4,090,757</u>
Bank deposits	-	-	-	-
Debt:				
Finance leases	(176,582)	90,732	-	(85,850)
Debts falling due within one year	(256,920)	-	-	(256,920)
Debts falling due after one year	(660,140)	260,639	-	(399,501)
	<u>(1,093,642)</u>	<u>351,371</u>	<u>-</u>	<u>(742,271)</u>
Net funds	<u>288,576</u>	<u>3,059,910</u>	<u>-</u>	<u>3,348,486</u>

3 Reconciliation of net cash flow to movement in net funds	2015	2014
	£	£
Increase in cash in the year	2,708,539	593,203
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	351,371	(159,880)
Movement in net funds in the year	3,059,910	433,323
Opening net funds/(debt)	288,576	(144,747)
Closing net funds	<u>3,348,486</u>	<u>288,576</u>

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Revenue is recognised when significant risks and rewards of ownership have been transferred to the buyer, there is reasonable certainty of recovery of the consideration and the amount of revenue, associated costs and possible return of goods can be estimated reliably.

Turnover represents amounts receivable for in-store and internet sale of goods net of value added tax, discounts, coupons and vouchers. Revenue is recognised when transactions are completed in-store or on-line.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	20% Straight Line
Plant and machinery	33% Straight Line
Fixtures, fittings & equipment	15% 20% or 33% Straight Line

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Foreign currency translation

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

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies **(Continued)**

1.10 Basis of consolidation

The group financial statements consolidate those of the company and its subsidiary undertakings drawn up to 31 March 2015. All intercompany balances and transactions are eliminated on consolidation.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2015	2014
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	452,268	463,058
Operating lease rentals		
- Plant and machinery	27,909	41,087
- Other assets	3,618,353	3,110,005
Auditors' remuneration (including expenses and benefits in kind)	24,000	24,489
and after crediting:		
Profit on foreign exchange transactions	(104,182)	(16,152)
	<u> </u>	<u> </u>
4 Interest payable	2015	2014
	£	£
On bank loans and overdrafts	16,536	48,153
Hire purchase interest	8,790	24,695
	<u> </u>	<u> </u>
	<u>25,326</u>	<u>72,848</u>

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

5	Taxation	2015	2014
		£	£
	Domestic current year tax		
	U.K. corporation tax	704,142	264,554
	Adjustment for prior years	-	(919)
	Total current tax	704,142	263,635
	Deferred tax		
	Origination and reversal of timing differences	11,616	(20,009)
		715,758	243,626
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	3,219,924	1,080,568
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2014 - 23.00%)	676,184	248,531
	Effects of:		
	Non deductible expenses	3,205	3,121
	Depreciation add back	92,239	106,503
	Capital allowances	(73,339)	(92,101)
	Tax losses to carry forward	3,472	-
	Adjustments to previous periods	-	(919)
	Other tax adjustments	2,381	(1,500)
		27,958	15,104
	Current tax charge for the year	704,142	263,635
6	Dividends	2015	2014
		£	£
	Dividends on equity shares:		
	Ordinary final dividend 2014	100,000	-
	Dividends on non-equity shares:		
	Preference final dividend 2014	15,000	15,000
		115,000	15,000

7 Profit and loss account of parent company

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of the financial statements. The parent company's profit on ordinary activities after taxation amounted to £115,000 (2014: £15,000) solely as a result of dividends received from subsidiary undertakings.

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

8 Tangible fixed assets

<u>Group</u>	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2014	441,735	593,630	1,924,859	2,960,224
Additions	48,312	142,285	83,597	274,194
At 31 March 2015	490,047	735,915	2,008,456	3,234,418
Depreciation				
At 1 April 2014	325,425	408,034	1,337,594	2,071,053
Charge for the year	111,800	165,766	161,672	439,238
At 31 March 2015	437,225	573,800	1,499,266	2,510,291
Net book value				
At 31 March 2015	52,822	162,115	509,190	724,127
At 31 March 2014	116,310	185,596	587,265	889,171

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Net book values			
At 31 March 2015	25,726	134,444	160,170
At 31 March 2014	39,574	217,846	257,420
Depreciation charge for the year			
At 31 March 2015	13,848	83,402	97,250
At 31 March 2014	50,714	83,402	134,116

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

9 Fixed asset investments

<u>Company only</u>	Shares in group undertakings £
Cost	
At 1 April 2014	877,005
Additions	2
At 31 March 2015	<u>877,007</u>
Net book value	
At 31 March 2015	<u>877,007</u>
At 31 March 2014	<u>877,005</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Menkind Stores Limited	England & Wales	Ordinary	100.00
Menkind Seasonal Limited	England & Wales	Ordinary	100.00
Menkind Retail Limited	England & Wales	Ordinary	100.00
Gift Universe Limited	England & Wales	Ordinary	100.00
Gadget Grotto Limited	England & Wales	Ordinary	100.00
Menkind Properties Uk Limited	England & Wales	Ordinary	100.00
Gift Universe (Wholesale) Limited	England & Wales	Ordinary	100.00

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

9 Fixed asset investments (Continued)

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2015 £	Profit/(loss) for the year 2015 £
	Principal activity		
Menkind Stores Limited	Store retailer of men's giftware	27,093	916,923
Menkind Seasonal Limited	Store retailer of men's giftware	1,860,667	291,139
Menkind Retail Limited	Stock management for the group	2,821,144	1,464,771
Gift Universe Limited	Online retailer of men's giftware	(597,788)	(228,033)
Gadget Grotto Limited	Online retailer of men's giftware	153,301	85,596
Menkind Properties Uk Limited	Dormant	2	-
Gift Universe (Wholesale) Limited	Stock wholesaler	(26,227)	(13,199)
		<u> </u>	<u> </u>

Additions in the year represents the purchase of 100% of the share capital of Gift Universe (Wholesale) Limited by the company on 9 December 2014.

10 Stocks	2015 £	2014 £
<u>Group</u>		
Finished goods and goods for resale	3,710,718	2,357,754
	<u> </u>	<u> </u>

11 Debtors	2015 £	2014 £
<u>Group</u>		
Other debtors	45,524	208,929
Prepayments and accrued income	2,677,381	428,507
	<u> </u>	<u> </u>
	<u>2,722,905</u>	<u>637,436</u>

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

12	Creditors: amounts falling due within one year	2015	2014
		£	£
	<u>Group</u>		
	Bank loans and overdrafts	1,084,716	256,920
	Net obligations under hire purchase contracts	56,720	91,362
	Trade creditors	3,560,283	1,344,849
	Corporation tax	704,142	264,554
	Other taxes and social security costs	748,366	55,419
	Other creditors	100,968	82,084
	Accruals and deferred income	1,127,294	561,630
		<u>7,382,489</u>	<u>2,656,818</u>

The group's bank loan and overdrafts are secured by a fixed and floating charge over the assets of the group. Personal guarantees of £500,000 have also been given by the directors.

The group's hire purchase contracts are secured against the assets to which they relate.

	2015	2014
	£	£
<u>Company</u>		
Amounts owed to subsidiary undertakings	<u>7</u>	<u>5</u>

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

13 Creditors: amounts falling due after more than one year	2015	2014
	£	£
<u>Group</u>		
Bank loans	99,501	360,140
Net obligations under hire purchase contracts	29,130	85,220
Preference shares classed as a financial liability	300,000	300,000
	<u>428,631</u>	<u>745,360</u>
<u>Company</u>		
Preference shares classed as a financial liability	<u>300,000</u>	<u>300,000</u>
Analysis of loans		
Wholly repayable within five years	<u>356,421</u>	<u>617,060</u>
	356,421	617,060
Included in current liabilities	<u>(256,920)</u>	<u>(256,920)</u>
	<u>99,501</u>	<u>360,140</u>
Loan maturity analysis		
In more than one year but not more than two years	99,501	256,920
In more than two years but not more than five years	-	103,220
	<u>99,501</u>	<u>360,140</u>
<p>The group's bank loan and overdrafts are secured by a fixed and floating charge over the assets of the group. Personal guarantees of £500,000 have also been given by the directors.</p>		
<p>The group's hire purchase contracts are secured against the assets to which they relate.</p>		
Preference shares classified as financial liabilities		
In more than five years	<u>300,000</u>	<u>300,000</u>

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

13 Creditors: amounts falling due after more than one year	(Continued)	
	2015	2014
Net obligations under hire purchase contracts		
Repayable within one year	64,845	104,176
Repayable between one and five years	33,281	97,732
	<u>98,126</u>	<u>201,908</u>
Finance charges and interest allocated to future accounting periods	(12,276)	(25,326)
	<u>85,850</u>	<u>176,582</u>
Included in liabilities falling due within one year	(56,720)	(91,362)
	<u>29,130</u>	<u>85,220</u>

14 Provisions for liabilities

	Deferred tax liability £
<u>Group</u>	
Balance at 1 April 2014	15,385
Profit and loss account	11,616
	<u>27,001</u>
Balance at 31 March 2015	<u>27,001</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>27,001</u>	<u>15,385</u>

The deferred tax provision above represents the excess of capital allowances claimed in comparison to the net book value of the relevant assets concerned. The provision is expected to reverse over future years as the company replaces assets at the end of their useful economic lives.

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

15 Retirement Benefits

Defined contribution scheme

Group

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund.

	2015 £	2014 £
Contributions payable by the group for the year	22,833	10,475

16 Share capital

	2015 £	2014 £
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Group and Company

Allotted, called up and fully paid
577,000 Ordinary shares of £1 each

	577,000	577,000
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Group & company: At the balance sheet date 5,828 share options were in existence with no share options granted during the year. Each share option entitles the holder to acquire 1 ordinary share in the company at a cost of £2.40 per share. These options shall lapse on the tenth anniversary of their grant, being on 5 May 2021. Other conditions exist in respect of these options, in line with the company's EMI Share Option Plan scheme rules. No share options have been exercised to date.

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

17 Statement of movements on profit and loss account

	Profit and loss account
<u>Group</u>	£
Balance at 1 April 2014	1,272,016
Profit for the year	2,504,166
Dividends paid	(115,000)
	<hr/>
Balance at 31 March 2015	3,661,182
	<hr/> <hr/>
	Profit and loss account
<u>Company</u>	£
Balance at 1 April 2014	-
Profit for the year	115,000
Dividends paid	(115,000)
	<hr/>
Balance at 31 March 2015	-
	<hr/> <hr/>

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

18	Reconciliation of movements in shareholders' funds	2015	2014
		£	£
	<u>Group</u>		
	Profit for the financial year	2,504,166	836,942
	Dividends	(115,000)	(15,000)
	Net addition to shareholders' funds	2,389,166	821,942
	Opening shareholders' funds	1,849,016	1,027,074
	Closing shareholders' funds	4,238,182	1,849,016
		<u>2015</u>	<u>2014</u>
		£	£
	<u>Company</u>		
	Profit for the financial year	115,000	15,000
	Dividends	(115,000)	(15,000)
	Net addition to shareholders' funds	-	-
	Opening shareholders' funds	577,000	577,000
	Closing shareholders' funds	577,000	577,000
		<u>2015</u>	<u>2014</u>
		£	£
19	Directors' remuneration	2015	2014
		£	£
	Remuneration for qualifying services	230,738	216,717
	Remuneration disclosed above include the following amounts paid to the highest paid director:		
	Remuneration for qualifying services	150,000	102,000

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Management	24	19
Operations (full time equivalent)	539	446
	<u>563</u>	<u>465</u>

Employment costs

	2015 £	2014 £
Wages and salaries	4,831,866	3,822,703
Social security costs	294,100	230,954
Other pension costs	22,833	10,475
	<u>5,148,799</u>	<u>4,064,132</u>

Due to the nature of the group's operations, staff numbers are calculated based on full time hours worked in the year as an apportionment of total hours worked.

21 Financial commitments

At 31 March 2015 the group was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2016:

	Land and buildings	
	2015 £	2014 £
Operating leases which expire:		
Within one year	195,284	211,209
Between two and five years	975,821	1,086,725
In over five years	1,071,005	850,256
	<u>2,242,110</u>	<u>2,148,190</u>

22 Control

The group is considered to be controlled by the director P Kraftman.

MENKIND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

23 Related party relationships and transactions

Dividends to Directors

The following directors were paid dividends during the year as outlined in the table below:

	2015	2014
	£	£
Mr P R Kraftman	51,127	-
Mr P Martin	4,766	-
Mr V I Corner	11,179	-
	<u>67,072</u>	<u>-</u>