

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2008
FOR
B.C. BARTON & SON LIMITED

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B.C. BARTON & SON LIMITED

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FOR THE YEAR ENDED 31 JULY 2008**

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B.C. BARTON & SON LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2008**

DIRECTORS:

I D Hunter
J J Arrowsmith
B Keys

SECRETARY:

J J Arrowsmith

REGISTERED OFFICE:

1 Hainge Road
Oldbury
West Midlands
B69 2NJ

REGISTERED NUMBER:

270354

AUDITORS:

Feltons
Registered Auditors
Chartered Accountants
8 Sovereign Court
8 Graham Street
Birmingham
B1 3JR

BANKERS:

Lloyds TSB Bank Plc
21 Birmingham Street
Oldbury
B69 4DT

B.C. BARTON & SON LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 JULY 2008

The directors present their report with the accounts of the company for the year ended 31 July 2008.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of equipment for the Building and Civil Engineering Industry, including heavy presswork for all types of manufacturing industry.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

The company has continued to trade as manufacturers of equipment for the building and civil engineering industry. The company operates from premises in Oldbury, West Midlands, and sells its products both in the UK and overseas. Turnover has increased from 2007 and despite increased costs there is a profit before tax in 2008 of £448,434 compared to a loss before tax of £52,674 in 2007. Net cash inflow from operating activities is £227,090 and cash has increased by £2,423 during the year. Dividends of £110,000 were paid. Shareholder's funds have increased to £1,634,331 at 31 July 2008 and the directors consider that the company's position is satisfactory. The directors have considered the major risks and uncertainties facing the company, which include changes in legislation and regulations, loss of major customers and cash flow management, and have put in place procedures to deal with these matters.

DIVIDENDS

Dividends of 47p per share were paid during the year.

The directors do not recommend the payment of a final dividend.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2007 to the date of this report.

I D Hunter
J J Arrowsmith
B Keys

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). 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 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 judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 1985. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

B.C. BARTON & SON LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2008**

AUDITORS

The auditors, Feltons, will be proposed for re-appointment at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD:


.....
J J Arrowsmith - Director

Date: 20th January 2009

**REPORT OF THE INDEPENDENT AUDITORS TO
B.C. BARTON & SON LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages five to seventeen, together with the financial statements of B.C. Barton & Son Limited for the year ended 31 July 2008 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. 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 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, 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 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" 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 to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Feltons

Feltons
Registered Auditors
Chartered Accountants
8 Sovereign Court
8 Graham Street
Birmingham
B1 3JR

Date: *5/2/2009*

B.C. BARTON & SON LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2008**

		2008	2007
	Notes	£	£
GROSS PROFIT		1,065,202	526,619
Distribution costs		81,435	64,468
Administrative expenses		508,031	486,950
		589,466	551,418
OPERATING PROFIT/(LOSS)	3	475,736	(24,799)
Interest receivable and similar income		3,977	2,506
		479,713	(22,293)
Interest payable and similar charges	4	31,279	30,381
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		448,434	(52,674)
Tax on profit/(loss) on ordinary activities	5	37,085	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		411,349	(52,674)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 JULY 2008**

	2008	2007
	£	£
REPORTED PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	448,434	(52,674)
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	7,080	7,080
HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	455,514	(45,594)
HISTORICAL COST PROFIT/(LOSS) FOR THE YEAR RETAINED AFTER TAXATION AND DIVIDENDS	308,429	(45,594)

The notes form part of these abbreviated accounts

B.C. BARTON & SON LIMITED


ABBREVIATED BALANCE SHEET
31 JULY 2008

		2008	2007
	Notes	£	£
FIXED ASSETS			
Tangible assets	7	874,861	876,986
CURRENT ASSETS			
Stocks	8	1,066,151	776,258
Debtors	9	1,247,085	1,176,864
Cash at bank and in hand		7,079	4,656
		<u>2,320,315</u>	<u>1,957,778</u>
CREDITORS			
Amounts falling due within one year	10	<u>1,146,402</u>	<u>1,069,431</u>
NET CURRENT ASSETS		<u>1,173,913</u>	<u>888,347</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,048,774</u>	<u>1,765,333</u>
CREDITORS			
Amounts falling due after more than one year	11	(403,311)	(421,219)
PROVISIONS FOR LIABILITIES	14	(11,132)	(11,132)
NET ASSETS		<u>1,634,331</u>	<u>1,332,982</u>
CAPITAL AND RESERVES			
Called up share capital	15	234,012	234,012
Revaluation reserve	16	651,879	658,959
Profit and loss account	16	748,440	440,011
SHAREHOLDERS' FUNDS	19	<u>1,634,331</u>	<u>1,332,982</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 20th January 09 and were signed on its behalf by:


J J Arrowsmith - Director


I D Hunter - Director

The notes form part of these abbreviated accounts

B.C. BARTON & SON LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2008**

		2008	2007
	Notes	£	£
Net cash inflow from operating activities	1	227,090	32,548
Returns on investments and servicing of finance	2	(27,302)	(27,875)
Taxation		(36,275)	(258)
Capital expenditure	2	(34,044)	-
Equity dividends paid		(110,000)	-
		<u>19,469</u>	<u>4,415</u>
Financing	2	(17,046)	(19,449)
Increase/(Decrease) in cash in the period		<u>2,423</u>	<u>(15,034)</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase/(Decrease) in cash in the period		2,423	(15,034)
Cash outflow from decrease in debt and lease financing		<u>17,046</u>	<u>19,449</u>
Change in net debt resulting from cash flows		<u>19,469</u>	<u>4,415</u>
Movement in net debt in the period		<u>19,469</u>	<u>4,415</u>
Net debt at 1 August		<u>(30,353)</u>	<u>(34,768)</u>
Net debt at 31 July		<u>(10,884)</u>	<u>(30,353)</u>

The notes form part of these abbreviated accounts

B.C. BARTON & SON LIMITED**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2008****1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2008 £	2007 £
Operating profit/(loss)	475,736	(24,799)
Depreciation charges	36,169	37,417
(Increase)/Decrease in stocks	(289,893)	39,080
Increase in debtors	(70,036)	(325,771)
Increase in creditors	75,114	306,621
Net cash inflow from operating activities	227,090	32,548

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2008 £	2007 £
Returns on investments and servicing of finance		
Interest received	3,977	2,506
Interest paid	(29,487)	(27,572)
Interest element of hire purchase payments	(1,792)	(2,809)
Net cash outflow for returns on investments and servicing of finance	(27,302)	(27,875)
Capital expenditure		
Purchase of tangible fixed assets	(34,044)	-
Net cash outflow for capital expenditure	(34,044)	-
Financing		
Capital repayments in year	(17,046)	(19,449)
Net cash outflow from financing	(17,046)	(19,449)

The notes form part of these abbreviated accounts

B.C. BARTON & SON LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2008**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/8/07	Cash flow	At
	£	£	31/7/08
			£
Net cash:			
Cash at bank and in hand	<u>4,656</u>	<u>2,423</u>	<u>7,079</u>
	<u>4,656</u>	<u>2,423</u>	<u>7,079</u>
Debt:			
Hire purchase	<u>(35,009)</u>	<u>17,046</u>	<u>(17,963)</u>
	<u>(35,009)</u>	<u>17,046</u>	<u>(17,963)</u>
Total	<u>(30,353)</u>	<u>19,469</u>	<u>(10,884)</u>

The notes form part of these abbreviated accounts

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2008**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on valuation
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 7.5% on reducing balance and 25% on straight line
Motor vehicles	- 25% on reducing balance

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of raw materials represents purchase price. The cost of work in progress and finished goods represents the cost of raw materials and direct labour plus attributable overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred tax

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred Tax. Deferred tax 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.

No provision has been made for deferred tax on gains recognised on property revalued to market value as the company does not intend to sell the revalued assets.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

Defined contribution scheme

The company contributes to personal pension plans of certain directors and employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. The company also operates a defined contribution scheme for certain directors. Contributions to this scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

B.C. BARTON & SON LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JULY 2008****2. STAFF COSTS**

	2008 £	2007 £
Wages and salaries	1,470,739	1,177,435
Social security costs	136,310	114,045
Other pension costs	50,627	49,681
	<u>1,657,676</u>	<u>1,341,161</u>

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

	2008	2007
Production	56	50
Other	9	9
	<u>65</u>	<u>59</u>

3. OPERATING PROFIT/(LOSS)

The operating profit (2007 - operating loss) is stated after charging/(crediting):

	2008 £	2007 £
Hire of equipment	2,070	1,054
Other operating leases	24,452	25,829
Depreciation - owned assets	30,497	30,751
Depreciation - assets on hire purchase contracts	5,672	6,666
Auditors' remuneration	15,965	12,400
Pension scheme refund	(103,644)	-
	<u>196,144</u>	<u>172,075</u>
Directors' emoluments	8,065	11,730
Directors' pension contributions to money purchase schemes		

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
Loan interest payable	29,487	27,572
Hire purchase	1,792	2,809
	<u>31,279</u>	<u>30,381</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JULY 2008

5. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2008 £	2007 £
Current tax:		
UK corporation tax	810	-
Tax deducted from pension scheme refund	36,275	-
	<u>37,085</u>	<u>-</u>
Tax on profit/(loss) on ordinary activities	<u>37,085</u>	<u>-</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2008 £	2007 £
Profit/(loss) on ordinary activities before tax	448,434	(52,674)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.331% (2007 - 20%)	91,171	(10,535)
Effects of:		
Non deductible expenses	870	939
Depreciation	7,355	7,483
Capital allowances	(5,040)	(3,193)
Losses utilised	(72,474)	-
Other	-	5,306
Pension scheme refund	(21,072)	-
Tax on pension scheme refund	36,275	-
Current tax charge	<u>37,085</u>	<u>-</u>

Factors that may affect future tax charges

The company has estimated tax losses of £114,000 (2007 - £470,500) available for carry forward against future trading profits.

6. DIVIDENDS

	2008 £	2007 £
Ordinary shares of £1 each		
Interim	110,000	-

B.C. BARTON & SON LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JULY 2008****7. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 August 2007	750,000	974,262	80,394	1,937	1,806,593
Additions	-	34,044	-	-	34,044
At 31 July 2008	750,000	1,008,306	80,394	1,937	1,840,637
DEPRECIATION					
At 1 August 2007	18,986	841,890	68,101	630	929,607
Charge for year	9,493	22,456	3,893	327	36,169
At 31 July 2008	28,479	864,346	71,994	957	965,776
NET BOOK VALUE					
At 31 July 2008	721,521	143,960	8,400	980	874,861
At 31 July 2007	731,014	132,372	12,293	1,307	876,986

Included in cost or valuation of land and buildings is freehold land of £275,350 (2007 - £275,350) which is not depreciated.

Cost or valuation at 31 July 2008 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2005	750,000	-	-	-	750,000
Cost	-	1,008,306	80,394	1,937	1,090,637
	750,000	1,008,306	80,394	1,937	1,840,637

If the freehold property had not been revalued it would have been included at the following historical cost:

	2008 £	2007 £
Cost	156,663	156,663
Aggregate depreciation	139,645	137,232

The freehold land and buildings were valued on an open market basis by a firm of independent Chartered Surveyors in 1981, on a basis of its existing use with vacant possession, in the sum of £610,000. Property valued £178,982 has subsequently been sold. There has been a further revaluation carried out internally by the directors in the sum of £750,000 as at 31 July 2005.

B.C. BARTON & SON LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JULY 2008****7. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST OR VALUATION	
At 1 August 2007 and 31 July 2008	<u>83,006</u>
DEPRECIATION	
At 1 August 2007	45,231
Charge for year	<u>5,672</u>
At 31 July 2008	<u>50,903</u>
NET BOOK VALUE	
At 31 July 2008	<u><u>32,103</u></u>
At 31 July 2007	<u><u>37,775</u></u>

8. STOCKS

	2008 £	2007 £
Raw materials	578,101	409,124
Work-in-progress	488,050	367,134
	<u><u>1,066,151</u></u>	<u><u>776,258</u></u>

9. DEBTORS

	2008 £	2007 £
Amounts falling due within one year:		
Trade debtors	1,159,350	1,081,395
Other debtors	3,605	6,734
Directors' loan accounts	19,685	30,786
Tax	5,021	-
Prepayments	8,823	7,348
	<u><u>1,196,484</u></u>	<u><u>1,126,263</u></u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u><u>50,601</u></u>	<u><u>50,601</u></u>
Aggregate amounts	<u><u>1,247,085</u></u>	<u><u>1,176,864</u></u>

Included in trade debtors is £1,156,813 (2007 - £1,076,539) gross debts factored with recourse.

B.C. BARTON & SON LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JULY 2008****10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008	2007
	£	£
Hire purchase contracts (see note 12)	14,652	17,066
Trade creditors	389,785	473,557
Tax	810	-
Social security and other taxes	149,136	144,407
Other creditors	448,132	334,032
Accrued expenses	143,887	100,369
	<u>1,146,402</u>	<u>1,069,431</u>

Included in other creditors is £427,816 (2007 - £311,868) due to factors.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008	2007
	£	£
Hire purchase contracts (see note 12)	3,311	17,943
Other creditors	400,000	403,276
	<u>403,311</u>	<u>421,219</u>

Other creditors includes £400,000 (2007 - £400,000) which relates to a loan which is secured against the property and has no fixed date for repayment.

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2008	2007
	£	£
Net obligations repayable:		
Within one year	14,652	17,066
Between one and five years	3,311	17,943
	<u>17,963</u>	<u>35,009</u>

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2008	2007
	£	£
Expiring:		
Within one year	24,079	25,824
Between one and five years	34,022	10,726
	<u>58,101</u>	<u>36,550</u>

B.C. BARTON & SON LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JULY 2008****13. SECURED DEBTS**

The following secured debts are included within creditors:

	2008	2007
	£	£
Lloyds TSB Factoring	427,816	311,868
Other loans	400,000	400,000
	<u>827,816</u>	<u>711,868</u>

Amounts due to Lloyds TSB Factoring are secured on the company's trade debtors.

Other loans are secured by a fixed charge on the company's land and buildings.

14. PROVISIONS FOR LIABILITIES

	2008	2007
	£	£
Other provisions	<u>11,132</u>	<u>11,132</u>
		Other provisions
		£
Balance at 1 August 2007		<u>11,132</u>
Balance at 31 July 2008		<u>11,132</u>

A provision has been recognised for professional charges in connection with the winding up of the company's pension scheme (see also note 18). It is expected that most of this expenditure will be incurred within one year of the balance sheet date.

15. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2008	2007
			£	£
234,012	Ordinary	£1	<u>234,012</u>	<u>234,012</u>

B.C. BARTON & SON LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 JULY 2008****16. RESERVES**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 August 2007	440,011	658,959	1,098,970
Profit for the year	411,349		411,349
Dividends	(110,000)		(110,000)
Depreciation written back	7,080	(7,080)	-
At 31 July 2008	<u>748,440</u>	<u>651,879</u>	<u>1,400,319</u>

No deferred tax is provided on amounts taken to revaluation reserve.

17. PENSION COMMITMENTS

The pension cost charge in the accounts of £50,627 (2007 - £49,681) represents contributions payable by the company to personal pension plans. The scheme was established to replace the former defined benefit scheme, which will be wound up.

18. TRANSACTIONS WITH DIRECTORS

The following loan to directors subsisted during the years ended 31 July 2008 and 31 July 2007:

	2008 £	2007 £
I D Hunter		
Balance outstanding at start of year	30,971	3,145
Balance outstanding at end of year	19,685	30,971
Maximum balance outstanding during year	<u>37,589</u>	<u>30,971</u>

This advance bears interest, is unsecured and has no fixed date for repayment.

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Profit/(Loss) for the financial year	411,349	(52,674)
Dividends	(110,000)	-
Net addition/(reduction) to shareholders' funds	<u>301,349</u>	<u>(52,674)</u>
Opening shareholders' funds	1,332,982	1,385,656
Closing shareholders' funds	<u>1,634,331</u>	<u>1,332,982</u>