

Company Number 2090112
(England and Wales)

R K FURNITURE LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

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R K FURNITURE LIMITED

Year ended 30 April 2007

COMPANY INFORMATION

| | |
|-------------------|--|
| DIRECTORS | R G Kraemer Esq Mrs J L K Kraemer |
| SECRETARY | Mrs J L K Kraemer |
| COMPANY NUMBER | 2090112 |
| REGISTERED OFFICE | The Airfield Tholthorpe York YO6 3JR |
| AUDITORS | Hardcastle France Chartered Accountants 30 Yorkersgate Malton YO17 7AW |
| PRINCIPAL BANKERS | Barclays Bank plc Easingwold Branch Chapel Street Easingwold York YO6 3AE |

R K FURNITURE LIMITED

INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

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R K FURNITURE LIMITED

REPORT OF THE DIRECTORS
for the year ended 30 April 2007

The directors present their report with the financial statements for the year ended 30 April 2007

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company's principal activity during the year was that of manufacturers of office furniture. The activity and profits are in line with the expectation of the directors. It is hoped that the expansion of the company's levels of trading and profitability will continue during the coming year.

RESULTS AND DIVIDENDS

The results for the year are set out on page 5.

The directors have proposed a dividend amounting to £Nil (2006 £580,000).

It is proposed that £331,931 [2006 (£106,773)] be added to reserves.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the company were as stated below -

| <u>Name</u> | <u>Class of share</u> | <u>Number of shares</u> | |
|-------------------|----------------------------|-------------------------|-----------------|
| | | <u>30/04/07</u> | <u>01/05/06</u> |
| R G Kraemer Esq | Ordinary shares of £1 each | 1,000 | 1,000 |
| Mrs J L K Kraemer | Ordinary shares of £1 each | 1,000 | 1,000 |

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing Hardcastle France, Chartered Accountants, be reappointed as auditors of the company will be put to the Annual General Meeting.

R K FURNITURE LIMITED

REPORT OF THE DIRECTORS
for the year ended 30 April 2007 - (Continued)

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which 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 those 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(2) of the Companies Act 1985] of which the company's auditors are unaware and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

BY ORDER OF THE BOARD



Mrs J L K Kraemer – Secretary

Dated 28 September 2007

R K FURNITURE LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
R K FURNITURE LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages four to fifteen, together with the financial statements of R K Furniture Limited for the year ended 30 April 2007 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.

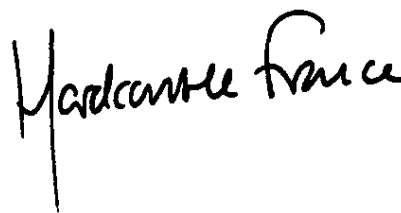
Basis of opinion

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.

Date 28 September 2007



Hardcastle France
Registered Auditors
Chartered Accountants
Malton

R K FURNITURE LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 30 April 2007

| | | | <u>2006</u> |
|--|--------------|-----------|-------------|
| | <u>Notes</u> | £ | £ |
| GROSS PROFIT | | 1,705,079 | 1,952,785 |
| DISTRIBUTION COSTS | | (304,331) | (304,049) |
| ADMINISTRATIVE EXPENSES | | (945,654) | (967,127) |
| | | ----- | ----- |
| OPERATING PROFIT | 4 | 455,094 | 681,609 |
| OTHER INTEREST RECEIVABLE AND SIMILAR INCOME | 5 | 1,897 | 2,410 |
| INTEREST PAYABLE AND SIMILAR CHARGES | 6 | (784) | (14,611) |
| | | ----- | ----- |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 456,207 | 669,408 |
| TAX ON PROFIT ON ORDINARY ACTIVITIES | 7 | (124,276) | (196,181) |
| | | ----- | ----- |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | 331,931 | 473,227 |
| | | ===== | ===== |

The notes on pages 9 to 15 form part of these financial statements

R K FURNITURE LIMITED

ABBREVIATED BALANCE SHEET

As at 30 April 2007

| | <u>Notes</u> | | | <u>2006</u> |
|--|--------------|-----------|-----------|-------------|
| | | £ | £ | £ |
| <u>FIXED ASSETS</u> | | | | |
| Tangible assets | 9 | | 357,696 | 457,298 |
| | | | | ----- |
| <u>CURRENT ASSETS</u> | | | | |
| Stocks | 10 | 966,309 | | 955,839 |
| Debtors | 11 | 1,654,740 | | 2,011,903 |
| Cash at bank and in hand | | 94,123 | | 54,225 |
| | | ----- | | ----- |
| | | 2,715,172 | | 3,021,967 |
| <u>CREDITORS</u> Amounts falling due within one year | 12 | 1,898,529 | | (2,636,856) |
| | | ----- | | ----- |
| <u>NET CURRENT ASSETS</u> | | | 816,643 | 385,111 |
| | | | ----- | ----- |
| <u>TOTAL ASSETS LESS</u> | | | | |
| <u>CURRENT ASSETS/LIABILITIES</u> | | | 1,174,339 | 842,409 |
| | | | ----- | ----- |
| | | | 1,174,339 | 842,409 |
| | | | ===== | ===== |
| <u>CAPITAL AND RESERVES</u> | | | | |
| Called up share capital | 13 | | 2,000 | 2,000 |
| Profit and loss account | 14 | | 1,172,339 | 840,409 |
| | | | ----- | ----- |
| <u>SHAREHOLDERS' FUNDS</u> | | | 1,174,339 | 842,409 |
| | | | ===== | ===== |

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 (s246A[4])



R G K Kraemer Esq – Director

Date 28 September 2007

The notes on pages 9 to 15 form part of these financial statements

R K FURNITURE LIMITED

ABBREVIATED CASH FLOW STATEMENT

For the year ended 30 April 2007

| | | | <u>2006</u> |
|---|----------|-----------|-------------|
| | £ | £ | £ |
| Net cash inflow from operating activities | | 605,554 | 1,214,920 |
| | | | ----- |
| Returns on investments and servicing of finance | | | |
| Interest received | 1,897 | | 2,410 |
| Interest paid | (784) | | (14,611) |
| | ----- | | ----- |
| | | 1,113 | (12,201) |
| | | | ----- |
| Taxation | | | |
| Corporation tax paid | | (196,181) | (200,914) |
| | | | ----- |
| Capital expenditure | | | |
| Payments to acquire tangible fixed assets | (24,423) | | (127,332) |
| Receipts from sales of tangible fixed assets | - | | 70,650 |
| | ----- | | ----- |
| | | (24,423) | (56,682) |
| | | ----- | ----- |
| | | 386,063 | 945,123 |
| Equity dividend paid | | - | (1,040,000) |
| | | ----- | ----- |
| Net cash inflow/(outflow) before financing | | 386,063 | (94,877) |
| Financing | | (732,868) | 597,698 |
| | | ----- | ----- |
| (Decrease)/Increase in cash | | (346,805) | 502,821 |
| | | ===== | ===== |

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED CASH FLOW STATEMENT

For the year ended 30 April 2007

| | <u>2007</u> | <u>2006</u> |
|---|----------------|------------------|
| | £ | £ |
| Reconciliation of operating profit to net cash inflow from operating activities | | |
| Operating profit | 455,094 | 681,609 |
| Depreciation charges | 124,027 | 158,106 |
| Loss on disposal of tangible assets | - | 6,992 |
| Increase in stocks | (10,470) | (41,176) |
| Decrease/(Increase) in debtors | 357,163 | 112,129 |
| (Decrease)/Increase in creditors | (320,260) | 297,260 |
| | <u>605,554</u> | <u>1,214,920</u> |

Analysis of changes in net debt

| | <u>At 01/05/06</u> | <u>Cash flows</u> | <u>Other changes</u> | <u>At 30/04/07</u> |
|--------------------------|--------------------|-------------------|----------------------|--------------------|
| Cash in hand at bank | 54,225 | 39,898 | - | 94,123 |
| Bank overdrafts | (70,576) | 14,672 | - | (55,904) |
| Debt due within one year | (260,376) | (401,375) | - | (661,751) |
| | <u>(276,727)</u> | <u>(346,805)</u> | <u>-</u> | <u>(623,532)</u> |

| | <u>2007</u> | <u>2006</u> |
|---|------------------|------------------|
| | £ | £ |
| Reconciliation of net cash flow to movement in debt | | |
| (Decrease)/Increase in cash in the period | (346,805) | 502,820 |
| Cash to repay lease financing | - | - |
| Loan repayments | - | - |
| | <u>(346,805)</u> | <u>502,820</u> |
| Net debt 1 May 2006 | <u>(276,727)</u> | <u>(779,547)</u> |
| Net debt at 30 April 2007 | <u>(623,532)</u> | <u>(276,727)</u> |

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED CASH FLOW STATEMENT

For the year ended 30 April 2007 (Continued)

| | <u>2007</u> | <u>2006</u> |
|--|-------------|-------------|
| | £ | £ |
| <u>Gross Cash Flows</u> | | |
| <u>Returns of investments and</u> | | |
| <u>servicing of finance</u> | | |
| Interest paid including interest on finance | | |
| lease and hire purchase rental payments | (784) | (14,611) |
| | ----- | ----- |
| <u>Investing Activities</u> | | |
| Payments to acquire tangible fixed assets | | |
| excluding those on finance leases and | | |
| hire purchase contracts | (24,423) | (127,332) |
| Receipts from sales of tangible fixed assets | - | 70,650 |
| | ----- | ----- |
| | (24,423) | (56,682) |
| | ===== | ===== |
| <u>Financing</u> | | |
| Amount introduced by directors | - | 1,040,000 |
| Amount withdrawn by directors | 732,868 | (442,302) |
| | ----- | ----- |
| | 732,868 | 597,698 |
| | ===== | ===== |

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

1 ACCOUNTING POLICIES

1 1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing

1 2 Tangible fixed assets

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 estimated useful life as follows

| | | |
|-----------------------|-----|------------------|
| Building improvements | 20% | Straight line |
| Plant and machinery | 25% | Reducing balance |
| Fixtures and fittings | 25% | Straight line |
| Motor vehicles | 25% | Reducing balance |

1 3 Operating leases

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

1 4 Stock

Stock is valued at the lower of cost or net realisable value

1 5 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year. The scheme is a defined contribution scheme and the assets are held separate from those of the company

1 6 Deferred taxation

Deferred taxation is the timing difference between depreciation charged in the accounts and capital allowances claimed at the current corporation tax rate. No provision for deferred tax has been made as the provision is not considered to be material

1 7 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. At the year end liabilities and monetary assets denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Any material gain or loss arising on the restatement of such balances is taken to the Profit and Loss Account

2 TURNOVER

Turnover represents amounts invoiced by the company in respect of work done on ordinary activities during the year, excluding value added tax and trade discounts. Overseas turnover amounted to 5.6% (2006: 6.0%) of the total turnover for the year

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

3 OTHER OPERATING INCOME

| | <u>2007</u> | <u>2006</u> |
|---------------------|--------------|---------------|
| | £ | £ |
| Rents receivable | 6,820 | 26,484 |
| Exchange rate gains | (87) | - |
| | <u>6,733</u> | <u>26,484</u> |

4 OPERATING PROFIT

The operating profit is stated after charging -

| | | |
|---|--------------|--------------|
| Depreciation of owned tangible fixed assets | 124,027 | 158,106 |
| Loss/(Profit) on disposals of owned tangible fixed assets | - | 6,992 |
| Operating lease rentals | | |
| - Plant and machinery | - | 541 |
| - land and buildings | 341,404 | 316,001 |
| Auditors' fees - audit | 5,000 | 8,100 |
| - other services | - | 300 |
| Directors' emoluments and other benefits etc | 21,264 | 43,187 |
| Directors' pension premiums | 1,499 | 1,821 |
| | <u>=====</u> | <u>=====</u> |

5 OTHER INTEREST RECEIVABLE
AND SIMILAR INCOME

| | | |
|---------------------------|--------------|--------------|
| Bank interest receivable | 1,897 | 2,251 |
| Other interest receivable | - | 159 |
| | <u>1,897</u> | <u>2,410</u> |

6 INTEREST PAYABLE AND
SIMILAR CHARGES

| | | |
|--|------------|---------------|
| Bank loans and overdrafts | 784 | 262 |
| Other loans wholly repayable within five years | - | 14,349 |
| | <u>784</u> | <u>14,611</u> |

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

7 TAXATION

The provision for corporation tax has been computed by applying applicable rates of UK corporation tax throughout the financial year to the taxable profits earned. Applicable rates of tax being 27.2% (2006: 27.1%)

8 DIVIDENDS

| | <u>2007</u> | <u>2006</u> |
|--|-------------|-------------|
| | £ | £ |
| Total equity dividends proposed | - | - |
| Total equity dividends proposed and paid in the year | - | 580,000 |
| | ----- | ----- |
| | - | 580,000 |
| | ===== | ===== |

9 TANGIBLE ASSETS

| | <u>Building improvements</u> | <u>Plant & machinery</u> | <u>Fixtures & Fittings</u> | <u>Motor vehicles</u> | <u>Total</u> |
|------------------------|----------------------------------|----------------------------------|------------------------------------|---------------------------|--------------|
| | £ | £ | £ | £ | £ |
| <u>COST</u> | | | | | |
| At 1 May 2006 | 94,042 | 892,953 | 152,625 | 291,076 | 1,430,696 |
| Additions | - | 17,309 | 7,114 | - | 24,423 |
| Disposals in the year | - | - | - | - | - |
| | ----- | ----- | ----- | ----- | ----- |
| At 30 April 2007 | 94,042 | 910,261 | 159,739 | 291,076 | 1,455,119 |
| | ===== | ===== | ===== | ===== | ===== |
| <u>DEPRECIATION</u> | | | | | |
| At 1 May 2006 | 78,678 | 599,075 | 126,548 | 169,097 | 973,398 |
| Charge for year | 3,820 | 77,744 | 11,910 | 30,551 | 124,025 |
| Eliminated on disposal | - | - | - | - | - |
| | ----- | ----- | ----- | ----- | ----- |
| At 30 April 2007 | 82,498 | 676,819 | 138,458 | 199,648 | 1,097,423 |
| | ===== | ===== | ===== | ===== | ===== |
| <u>NET BOOK VALUES</u> | | | | | |
| At 30 April 2007 | 11,544 | 233,442 | 21,281 | 91,429 | 357,696 |
| | ===== | ===== | ===== | ===== | ===== |
| At 30 April 2006 | 15,364 | 293,878 | 26,077 | 121,979 | 457,298 |
| | ===== | ===== | ===== | ===== | ===== |

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

10 STOCKS

| | <u>2007</u> | <u>2006</u> |
|----------------|----------------|----------------|
| | £ | £ |
| Raw materials | 695,622 | 689,378 |
| Finished goods | 270,687 | 266,461 |
| | ----- | ----- |
| | <u>966,309</u> | <u>955,839</u> |

11 DEBTORS

| | | |
|--------------------------------|------------------|------------------|
| Trade debtors | 1,551,956 | 1,892,355 |
| Prepayments and accrued income | 102,784 | 119,548 |
| | ----- | ----- |
| | <u>1,654,740</u> | <u>2,011,903</u> |

12 CREDITORS Amounts falling due within one year

| | | |
|---------------------------------------|------------------|------------------|
| Bank loans and overdrafts (secured) | 55,904 | 70,576 |
| Other loans (secured) | 661,751 | 260,376 |
| Trade creditors | 687,672 | 891,468 |
| Corporation tax | 124,276 | 196,181 |
| Other taxes and social security costs | 162,113 | 117,368 |
| Other creditors | 49,127 | 781,944 |
| Accruals and deferred income | 157,686 | 318,943 |
| | ----- | ----- |
| | <u>1,898,529</u> | <u>2,636,856</u> |

The other loans represent advances by an invoice discounter and are secured on the book debts of the company assigned to them of £1,551,956 (2006 £1,892,355) duly included in trade debtors at the Balance Sheet date

Accruals and deferred income include accrued discounts payable at 30 April 2007 totalling £130,293 (2007 £284,568)

13 SHARE CAPITAL

| | | |
|------------------------------------|---------|---------|
| Authorised | | |
| 100,000 Ordinary shares of £1 each | 100,000 | 100,000 |
| | ===== | ===== |
| Allotted, called up and fully paid | | |
| 2,000 Ordinary shares of £1 each | 2,000 | 2,000 |
| | ===== | ===== |

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

14 PROFIT AND LOSS ACCOUNT

| | £ |
|--|-----------|
| Retained profits brought forward | 840,408 |
| Profit for the financial year after taxation | 331,931 |
| | ----- |
| Retained profit carried forward | 1,172,339 |
| | ===== |

15 PENSION COMMITMENTS

The company operates pension arrangements for the benefit of the directors and senior employees which are in the nature of a defined contribution scheme

The charge to the Profit and Loss Account in the year was

| <u>2007</u> | <u>2006</u> |
|-------------|-------------|
| £ | £ |
| 1,499 | 1,821 |
| ===== | ===== |

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2006 2)

Emoluments disclosed above include the following amounts paid to the highest paid director

| | | |
|--|-------|--------|
| Emoluments for qualifying services | | 24,636 |
| Company pension contribution to money purchase schemes | 1,499 | 1,821 |
| | ===== | ===== |

16 FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 30 April 2007

| | <i>Land and buildings</i> | | <i>Other</i> | |
|----------------------------|---------------------------|-------------|--------------|-------------|
| | <u>2007</u> | <u>2006</u> | <u>2007</u> | <u>2006</u> |
| | £ | £ | £ | £ |
| <i>Expiry date</i> | | | | |
| Within one year | 128,277 | 49,516 | 71,679 | 71,814 |
| Between two and five years | 464,680 | 9,368 | 81,733 | 151,751 |
| In over five years | 77,807 | - | - | 1,661 |
| | ----- | ----- | ----- | ----- |
| | 670,764 | 58,884 | 153,412 | 225,226 |
| | ===== | ===== | ===== | ===== |

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

17 EMPLOYEES

Number of employees

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

| <u>2007</u> | <u>2006</u> |
|---------------|---------------|
| <u>Number</u> | <u>Number</u> |
| 72 | 73 |
| ===== | ===== |

Sales
Office and administration
Production

| | |
|-------|-------|
| 4 | 4 |
| 8 | 8 |
| 60 | 61 |
| ----- | ----- |
| 72 | 73 |
| ===== | ===== |

Employment costs

Wages and salaries
Social security costs
Pension costs

| <u>£</u> | <u>£</u> |
|-----------|-----------|
| 1,440,579 | 1,488,267 |
| 111,457 | 146,020 |
| 1,499 | 1,821 |
| ----- | ----- |
| 1,553,535 | 1,636,108 |
| ===== | ===== |

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2007

18 RELATED PARTY TRANSACTIONS

During 2006, the property let from Lilac Properties, a partnership owned 100% by R G Kraemer Esq and Mrs J L K Kraemer, was transferred into the Kraemer Family Discretionary Trust, a Trust of which R G Kraemer Esq and Mrs J L K Kraemer are trustees. The property was let at market value in the normal course of business. The total paid during the financial year was £100,000 (2006 £66,667) excluding VAT.

Advertising costs during the financial year include payments totalling £71,286 (2006 £20,000) to RK Motor Sport, a business owned solely by R G Kraemer Esq.

Other creditors include £48,612 (2006 £781,480), being the balance of R G Kraemer Esq and Mrs J L K Kraemer's loan account to the company. At no stage during the year was the account overdrawn. No interest has been charged to the company on the loan.

Mr and Mrs Kraemer have provided a personal guarantee for the bank overdraft of £165,000.

19 ULTIMATE CONTROLLING PARTIES

There is no ultimate controlling party by virtue of R G Kraemer Esq and Mrs J L K Kraemer's shareholdings.

20 CAPITAL COMMITMENTS

The company had nil capital commitments at the Balance Sheet date (2006 £Nil).

21 CONTINGENT LIABILITIES

The company had nil (2006 Nil) contingent liabilities at the Balance Sheet date.