

OXFORD CHEMICALS LIMITED

Report and Financial Statements

31 December 2007

**Deloitte & Touche LLP
Leeds**

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OXFORD CHEMICALS LIMITED

2007 REPORT AND FINANCIAL STATEMENTS

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OXFORD CHEMICALS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D A Weston		
M E Meeson		(Resigned 31 st December 2007)
A Whitfield		
S Cummins		(Resigned 22 nd March 2007)
D Whyte	(Chairman)	(Appointed 21 st May 2007)

SECRETARY

R Atkinson

REGISTERED OFFICE

Temple Fields
Central Road
Harlow
Essex
CM20 2BH

BANKERS

HSBC
112 York Road
Hartlepool
Cleveland
TS26 9DF

SOLICITORS

Eversheds
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3XX

Dickinson Dees
St Anns Wharf
112 Quayside
Newcastle upon Tyne
NE99 1SB

AUDITOR

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Leeds

OXFORD CHEMICALS LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2007

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

Oxford Chemicals Ltd is a wholly owned subsidiary of Yule Catto Plc and operates as part of the Impact Chemicals Division

The company's principal activity is the manufacture of high impact aroma chemicals for use in the flavour and fragrance industry. There have not been any changes in the company's principal activities in the year under review.

The company continues to invest in Research and Development which is essential for the success of the business in the future. Two significant Research & Development projects were started in 2007 to deliver new product lines in the coming years.

As shown in the profit and loss account on page 7, sales have increased by 5% over the prior year. Gross profit has remained static and profit before tax has increased by 107% over the prior year.

The increase in profitability is driven by an improved internal manufacturing performance and cost control. Externally there has been continued price pressure from low cost manufacturing economies which has been off-set by sales growth.

The balance sheet on page 8, shows the company financial position in net assets to be consistent with the prior year. Details of inter-company balances are shown on pages 13 and 14.

There have been no significant events since the balance sheet date.

The Yule Catto Plc manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the company is discussed in the group's Annual Report which does not form part of this Report.

Principal Risks and Uncertainties

The company remains at risk from competitive pressure mainly from low cost economies, the company manages this risk by keeping up to date on market information, maintaining strong relationships and providing a value added service to our customers.

A significant amount of sales are in currencies (\$ & €) and therefore the company is exposed to a rate change in these currencies.

Safety, Health and Environment

Oxford Chemicals Ltd treats as its highest priority the safety of its employees and the impact of its manufacturing on the surrounding environment. The company's directors continually monitor, design and implement policies to improve the safety of its employees and reduce any impact on the environment. The company's directors operate a continual improvement programme with regard to safety and environment.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to a number of financial risks including price risk, credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the company's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The company does not use derivative financial instruments for speculative purposes.

Cash flow risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The company uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

OXFORD CHEMICALS LIMITED

DIRECTORS' REPORT

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Price risk

The company is exposed to commodity price risk. The company does not manage its exposure to commodity price risk due to cost/benefit considerations.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £399,000 (2006: £236,000 loss). A dividend of £494,000 (2006: £266,000) was paid to the holders of the ordinary shares during the year, leaving a loss of £95,000 (2006: loss of £502,000) withdrawn from reserves.

	£'000
Retained profit at 1 January 2007	2,699
Profit for the financial year	399
Ordinary dividend of 15p per share in respect of the year ended 31 December 2006	(293)
Ordinary dividend of 10p per share in respect of the year ended 31 December 2007	(201)
	<hr/>
Retained profit at 31 December 2007	2,604

FUTURE DEVELOPMENTS

The company will continue its focus on emerging markets and expand its sales coverage through further investment in human resources. Investment will continue in development of technical resources and partnership with selected service providers.

DIRECTORS

The directors who served during the year and subsequently are as shown below:

A. Whitfield	
D. Whyte	(Chairman Appointed 21 May 2007)
D. A. Weston	
M. E. Meeson	(Resigned 31 December 2007)
S. Cummins	(Resigned 22 March 2007)

OXFORD CHEMICALS LIMITED

DIRECTORS' REPORT

SUPPLIER PAYMENT POLICY

The company's policy is to make payments to creditors and other suppliers in accordance with terms of payment agreed at the time of contract, subject to all terms and conditions of the order being satisfied by the supplier. During the year, the company has not followed any code or standard on payment practice. Average creditor days for 2007 were 78 (2006 62).

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that

(1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

A resolution to re-appoint Deloitte & Touche LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



D A Weston

Director

23 April 2008

OXFORD CHEMICALS LIMITED

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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statement,
- 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 that 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXFORD CHEMICALS LIMITED

We have audited the financial statements of Oxford Chemicals Limited for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, and the related notes 1 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant framework and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

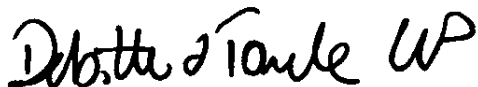
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Leeds

25 April 2008

OXFORD CHEMICALS LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2007

	Note	2007 £'000	2006 £'000
TURNOVER	2	9,733	9,302
Cost of sales		(6,813)	(6,349)
GROSS PROFIT		2,920	2,953
Distribution costs		(1,125)	(1,256)
Administrative expenses		(1,235)	(1,405)
OPERATING PROFIT	4	560	292
Interest receivable/(payable) and similar charges	5	7	(18)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		567	274
Tax on profit on ordinary activities	6	(168)	(510)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		399	(236)

All results are derived from continuing operations

There is no difference between profit/(loss) for the financial year as stated and profit for the financial year on a historical cost basis in either of the years presented above

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Year ended 31 December 2007

There are no recognised gains and losses for the current or preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses is given.

OXFORD CHEMICALS LIMITED

BALANCE SHEET

As at 31 December 2007

	Note	2007 £'000	2006 £'000
FIXED ASSETS			
Tangible assets	8	2,444	2,881
CURRENT ASSETS			
Stocks	9	1,607	1,463
Debtors	10	1,996	1,590
Cash at bank and in hand		334	213
		3,937	3,266
CREDITORS: amounts falling due within one year	11	(1,777)	(1,448)
NET CURRENT ASSETS		2,160	1,818
NET ASSETS		4,604	4,699
CAPITAL AND RESERVES			
Called-up share capital	13	2,000	2,000
Profit and loss account	14	2,604	2,699
TOTAL EQUITY SHAREHOLDERS' FUNDS	15	4,604	4,699

These financial statements were approved by the Board of Directors on 23 APRIL 2008

Signed on behalf of the Board of Directors



D A Weston

Director

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

1. ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year is set out below

Basis of accounting

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

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment

Depreciation is calculated to write off the cost less estimated residual value of the fixed assets over their expected useful lives. The annual rates, on a straight line basis are set out below

Freehold buildings	2% to 4%
Property improvements	10% to 20%
Plant and machinery	10% to 20%
Motor vehicles	25% to 33%
Computer and hi-tech equipment	33%

Stocks

Stocks are stated at the lower of cost and net realisable value

Costs represent expenses incurred in bringing the product to its present location and condition

Net realisable value is based on estimated normal selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date

In accordance with FRS 19, "Deferred Tax", full provision is made on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

Turnover

Turnover represents the net invoiced value of sales, excluding value added tax, of goods supplied within the company's ordinary activities

Foreign currency transactions

Transactions denominated in foreign currencies are recorded in pounds sterling at actual exchange rates as of the date of the transaction or, where appropriate, at the rate of exchange in a related forward exchange contract. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the balance sheet date, or where appropriate, at the rate of exchange in a forward exchange contract. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account

Lease commitments

Assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the leases. The excess of the lease payments over the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases

OXFORD CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

1. ACCOUNTING POLICIES (continued)

Government grants

Government grants received in respect of capital expenditure are credited to deferred income and released to the profit and loss account over the lives of the relevant assets. Grants received in respect of specific projects are released to the profit and loss account over the period of the project.

Research and development

All revenue expenditure associated with research and development activities is written off in the year of expenditure.

Pension costs

The company participates in a group funded defined benefit scheme (see note 17) and a money purchase scheme. Pension costs charged to the profit and loss account represents the contributions payable in the year.

2. TURNOVER

Turnover arose entirely from the principal activities of the company. The geographical analysis of turnover by destination is as follows:

	2007 £'000	2006 £'000
United Kingdom	1,270	1,340
Rest of Europe	3,862	3,792
North America	824	835
Other	3,777	3,335
	<u>9,733</u>	<u>9,302</u>

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2007 £'000	2006 £'000
Directors' remuneration		
Emoluments	168	202
Pension contributions to money purchase scheme	6	9
	<u>174</u>	<u>211</u>

Pensions

No director was a member of the defined benefits pension scheme (2006: none). Two directors were members of the defined contribution scheme (2006: 3).

OXFORD CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

A Whitfield, at 31 December 2007, is a director of Yule Catto & Co plc and other fellow subsidiary companies and D Whyte a director of other subsidiary companies. All remuneration is borne by Yule Catto & Co plc and it is not practicable to ascertain the proportion of these directors' emolument that specifically relate to the company.

	2007 £'000	2006 £'000
Staff costs during the year (including directors)		
Wages and salaries	1,693	1,702
Social security costs	154	164
Other pension costs (note 17)	196	194
	<u>2,043</u>	<u>2,060</u>
	No.	No.
Average number of persons employed		
Production	41	40
Sales and distribution	11	12
Administration	17	17
	<u>69</u>	<u>69</u>

4. OPERATING PROFIT

	2007 £'000	2006 £'000
Operating profit is stated after charging/(crediting):		
Depreciation	566	635
Rentals under operating leases		
Hire of plant and machinery	30	30
Research and development	197	169
Auditors' remuneration		
Audit of the company's annual accounts	15	13
(Gain)/loss on foreign exchange	(44)	29

5. NET INTEREST (RECEIVABLE)/PAYABLE AND SIMILAR CHARGES

	2007 £'000	2006 £'000
Net interest (receivable)/payable on loans and overdrafts	<u>(7)</u>	<u>18</u>

OXFORD CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2007 £'000	2006 £'000
United Kingdom corporation tax at 30% (2006 – 30%) based on the profit for the year	(332)	(261)
Adjustment in respect of prior years	164	137
	<u>(168)</u>	<u>(124)</u>
Total current taxation	(168)	(124)
Deferred taxation		
Timing differences, origination and reversal	-	(384)
Deferred tax adjustments for prior years	-	(2)
	<u>(168)</u>	<u>(510)</u>

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK 30% (2006 30%)

	2007 £'000	2006 £'000
The differences are explained below		
Profit on ordinary activities before tax	<u>567</u>	<u>274</u>
Tax at 30% thereon	(170)	(82)
Effects of		
Expenses not (allowable)/deductible for tax purposes	(3)	(9)
Other non-taxable income	-	9
Depreciation in excess of capital allowances	(170)	(190)
Adjustment in respect of prior years	164	137
Tax benefit from research and development	11	11
	<u>(168)</u>	<u>(124)</u>

7 EQUITY DIVIDENDS

	2007 £'000	2006 £'000
Interim dividend for year ended 31 December 2006 of 15p per ordinary share	293	-
Final dividend of 10p (2006 13p) per ordinary share	<u>201</u>	<u>266</u>
	<u>494</u>	<u>266</u>

OXFORD CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2007

8. TANGIBLE FIXED ASSETS

	Freehold Property and property improvement £'000	Plant, machinery and equipment £'000	Total £'000
Cost			
At 1 January 2007	1,986	7,944	9,930
Additions	-	153	153
Disposal	-	(50)	(50)
	<u>1,986</u>	<u>8,047</u>	<u>10,033</u>
At 31 December 2007			
Depreciation			
At 1 January 2007	755	6,294	7,049
Charge for the year	79	487	566
Disposal	-	(26)	(26)
	<u>834</u>	<u>6,755</u>	<u>7,589</u>
At 31 December 2007			
Net book value			
At 31 December 2007	<u>1,152</u>	<u>1,292</u>	<u>2,444</u>
At 31 December 2006	<u>1,231</u>	<u>1,650</u>	<u>2,881</u>

Included within plant, machinery and equipment are fixed assets under the course of construction with a cost of £19,000 (2006 £78,000) These are not depreciated until commissioned

9. STOCKS

	2007 £'000	2006 £'000
Raw materials and consumables	399	379
Work in progress	99	59
Finished goods and goods for resale	1,109	1,025
	<u>1,607</u>	<u>1,463</u>

There is no material difference between the balance sheet value of stocks and their replacement cost

10. DEBTORS

	2007 £'000	2006 £'000
Amounts falling due within one year		
Trade debtors	1,278	1,038
Amounts owed by group undertakings	436	344
Other debtors	158	49
Prepayments and accrued income	124	159
	<u>1,996</u>	<u>1,590</u>

OXFORD CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2007

11. CREDITORS: amounts falling due within one year

	2007 £'000	2006 £'000
Trade creditors	1,150	902
Amounts owed to group undertakings	45	44
UK corporation tax	251	164
Other taxes and social security	65	52
Other creditors	17	3
Accruals and deferred income	249	283
	<u>1,777</u>	<u>1,448</u>

The company has cross guaranteed overdrafts and banking facilities of other group companies. The amount outstanding on the group facility at 31 December 2007 was £9,858,000 (2006 £3,616,000).

12. DEFERRED TAXATION

The unprovided deferred tax in the current year of £707,000 (2006 £574,000) is in relation to accelerated capital allowances.

13. CALLED-UP SHARE CAPITAL

	2007 £'000	2006 £'000
Authorised, allotted, called-up and fully paid 2,000,000 ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

14. RESERVES

	Profit and loss account £'000
At 1 January 2007	2,699
Profit for the financial year	399
Dividends paid	<u>(494)</u>
At 31 December 2007	<u>2,604</u>

OXFORD CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

15 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2007 £'000	2006 £'000
Profit / (loss) for the financial year	399	(236)
Dividends paid on equity shares	(494)	(266)
Net reduction in equity shareholders' funds	(95)	(502)
Opening equity shareholders' funds	4,699	5,201
Closing equity shareholders' funds	4,604	4,699

16. CASH FLOW INFORMATION

As permitted by FRS 1, the company has not produced a cash flow statement, as it is a wholly owned subsidiary undertaking of Yule Catto & Co plc which prepares group financial statements that are publicly available

17 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

(a) Lease commitments

The company has entered into non-cancellable operating leases in respect of plant and machinery, the payments for which extend over a period of up to 5 years. The lease agreements provide that the company will pay all insurance. The minimum annual rentals under the foregoing leases are as follows

	2007 £'000	2006 £'000
Operating leases which expire		
- within one year	7	3
- within two to five years	22	19
	29	22

(b) Pension arrangements

The company participates in a funded defined benefit scheme (The Yule Catto Group Retirement Benefits Scheme) together with a number of other Yule Catto Group companies. The assets of the scheme are held separately from those of the company or any of the Yule Catto Group of companies. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of the pensions over the employees' working lives with the company.

The Group's defined benefit scheme was closed to new members with effect from 31 December 1998. On 1 January 1999 the Group introduced a defined contribution scheme which is open to all eligible Group employees. Details of the schemes and of the most recent actuarial valuations are given in the financial statements of Yule Catto & Co plc.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

17. GUARANTEES AND OTHER FINANCIAL COMMITMENTS (continued)

(b) Pension arrangements (continued)

The pension charge for the period was £196,000 (2006 £194,000)

In accordance with FRS17, the company account for its contributions to the Defined Benefit scheme as if it were a Defined Contribution scheme because it is not possible to identify the company's share of the assets and liabilities in the scheme on a consistent and reasonable basis. The latest actuarial valuation of the scheme prepared for the purpose of making transitional disclosures in accordance with FRS17 in the consolidated financial statements of the parent show a net pension liability of £69.3m at 31 December 2007.

Further details of this valuation can be found in the annual report of the ultimate parent company.

(c) Contingent liabilities

The company has cross guaranteed overdrafts and banking facilities of other group companies. The amount outstanding on the group facility at 31 December 2007 was £9,858,000 (2006 £3,616,000).

(d) Capital commitments

At 31 December 2007 capital commitments contracted but not provided for were £2,000 (2006 £4,000).

18. RELATED PARTY TRANSACTIONS

As a subsidiary undertaking of Yule Catto & Co. plc, the company has taken advantage of the exemption in FRS 8 "Related party disclosures", not to disclose transactions with other members of the group headed by Yule Catto & Co. plc.

19. ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of SA (300) Limited, registered in England and Wales, and the ultimate parent company is Yule Catto & Co. plc, also registered in England and Wales.

The largest and smallest group of which the company is a member and for which group financial statements are drawn up is that headed by Yule Catto & Co. plc whose principal place of business is at Temple Fields, Harlow, Essex CM20 2BH.

20. INTERESTS IN OTHER PARTIES

The company holds a £1 share in Yardsave Ltd which is a property investment company. No dividend income was received from this company in 2007 or 2006.